New Plymouth District Council

PROPERTY

Asset Management Plan

2024 – 2034

Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth District Council

Contents

Preamble/Foreword

This 2024 Asset Management Plan has been prepared as part of the 2024-2034 Long-Term Plan (LTP) supporting information.

Asset management is considered by New Plymouth District Council to be an essential element of governance for local authorities and allows us as an organisation to take a planned approach towards our service delivery arrangements, levels of service, associated risks and financial forecasts. This Asset Management Plan (AMP) provides clarity to the organisation regarding the level of work required to implement comprehensive and quality lifecycle asset management strategies. This will ensure the delivery of targeted and essential infrastructure to the district and its residents.

The overall intent for this AMP is to provide a high-level document that supports the legislatively required 2024-2034 LTP and focuses on providing a desired level of service through the management of assets in the most cost-effective manner for present and future customers.

This AMP is the result of a substantial body of work over an 18-month timeframe, produced from the efforts of a cross-functional team of representatives including service managers, engineers, financial planners, senior managers, data technicians as well as asset management champions throughout the organisation.

This AMP has been produced concurrently with the 2024-2034 LTP, and all financial information is aligned with the approved budgets under the 2024-2034 LTP.

Executive Summary

This Asset Management Plan is a key supporting document for the Long-Term Plan, to assist in driving the achievement of Council's strategic vision, to describe the assets required to deliver this service, to outline the required Levels of Service we will need to deliver, the necessary actions to ensure we meet the expectations of our community, and the consequences of the decisions made by the elected Council.

1.1 Our Assets

The Property services portfolio comprises approximately 250 buildings and 1800 land holdings property assets distributed across the district with most assets located in New Plymouth or the main townships of Waitara and Inglewood.

A summary of the significant assets included in the AMP are as follows;

- Civic Centre
- 3 large venue and events facilities (TSB Showplace, TSB Stadium & TSB Bowl Soundshell Stage)
- Todd Energy Aquatic Centre (TEAC) plus four community swimming pools
- Puke Ariki Museum & library, Govett-Brewster Art Gallery (GBAG)/Len Lye Centre and three community service centres and libraries
- Water and waste buildings
- Emergency Management offices
- Housing for the elderly (HfE) portfolio and five private residential tenancies
- Public toilets
- 1800 land holdings, the majority of which are parks and reserves (75%)

These building assets have a combined fair value of $193.3M and land assets a combined value of $335.2M as of 30 June 2022.

1.2 Our Drivers

The standard of service provided by Council is defined by the agreed level of service (LoS). The agreed LoS for the Property service are to;

- ensure buildings and property are maintained at an acceptable quality appropriate for their purpose
- provide safe, compliant, accessible and secure facilities
- ensure building warrants of fitness are kept up to date
- provide quality public toilets across the district
- effectively coordinate and administer the HfE service.

Demand drivers are those factors which impact the extent to which an asset or service is required and used, or the type of service required. Demand drivers include factors such as;

- population size, growth and demographics increasing demand for the HfE service and increasing accessibility and maintenance requirements of existing community facilities.
- urban development including residential dwelling growth, location, makeup and quantity. Increasing the community requirement for new Property assets.
- consumer requirements, preferences, expectations and patterns of use, changing the of assets.
- technology type, use, rate of change, resulting in functional obsolesce and changing asset use.
- legislative environment including central government reform impacting on funding requirements.
- tourism industry, visitor numbers and financial changes increasing demand and use of public toilets, museum and venue facilities due to higher numbers of visitors to the district.
- environmental factors such as those occurring through climate change. Frequent weather events put pressure on budgets due to unplanned maintenance costs.

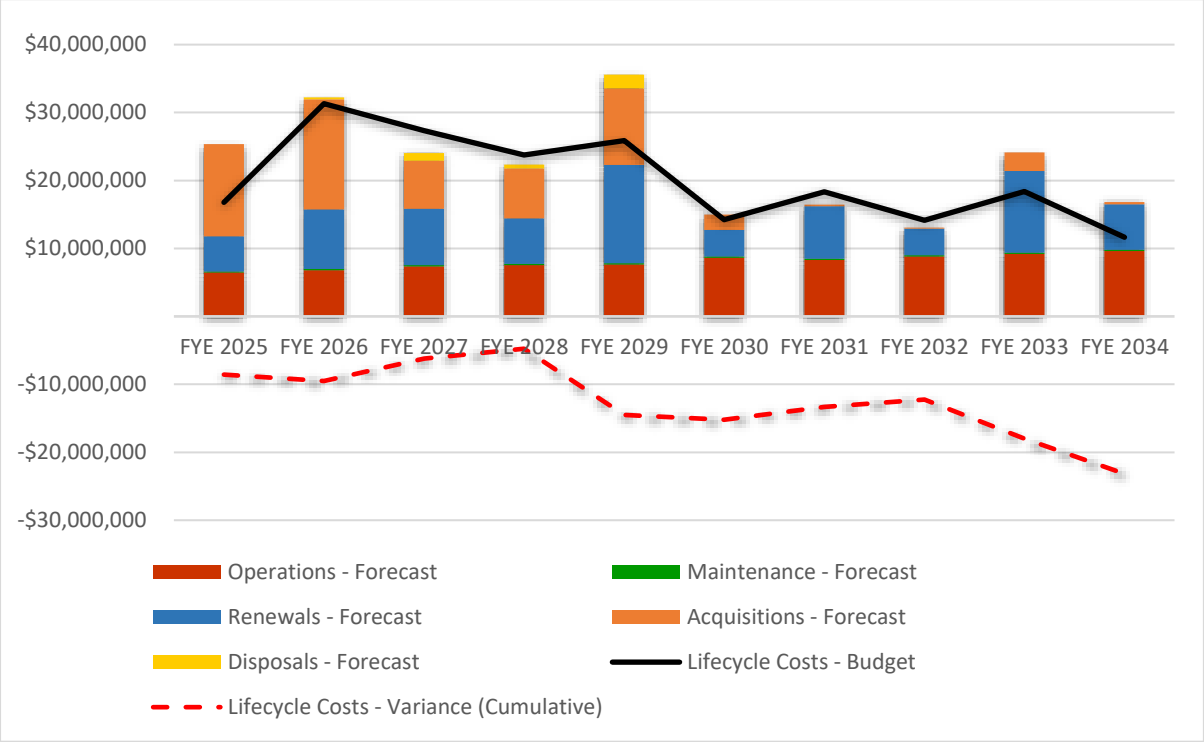
Climate change is anticipated to result in several impacts, such as greater extremes of temperature and weather, more frequent sever weather events, and elevated sea-levels. These impacts are likely to have direct consequences on Council assets, the services they provide, and the communities that depend on those services.

1.3 Our Plan

Consistent and timely capture of data has been identified as an area for improvement – both externally with contractors and subcontractors at asset installation, completion and commission stages, as well as internally between teams – and will ensure that maintenance is undertaken appropriately, and assets capitalised promptly within the system. Working across Council teams to development and implement a process for lifecycle costing is a priority.

1.4 The Cost

Figure 1.4: Lifecycle Costs Summary



All values in graph are adjusted for inflation

The lifecycle cost graph shows the following :

Operations and Maintenance – Budget & Forecast figures are equal at $82M or $8.2M average/yr.
Renewals - Budget figure is $44M ($4M average/yr) versus $72M Forecast or $7.2M/yr, or a cumulative deficit of $28M over 10 years.
Acquisitions - Budget figure is $71.9M ($7.2M average/yr) versus $77.7M Forecast or $7.8M average/yr, or a cumulative deficit of $5.8M.

Based upon a gross replacement cost of $437M for property assets the benchmark metric ratios are as follows:

Opex	$8.2M per year / $437M =1.9%. This is considered acceptable
Renewals	$4M per year / $437M = 0.9%. This is at the lower end of benchmarking

1.5 The Risks

Challenging economic conditions include the ongoing effects of government decisions in response to Covid-19, supply chain disruptions and inflation being significantly higher than that forecast within the previous LTP 2021-2031. Along with increased costs for Council operations and capital expenditure it is also acknowledged that the community is also facing increased household financial pressures and challenging business conditions.

Recognising the significant inflationary pressures and that rates affordability is a key concern for the ratepayers, the Council recognises that prioritisation of projects will mean that not all projects will receive funding within the current LTP 2024-2034 but are likely to be pushed out beyond this ten-year period and into the 30-year period covered by NPDC's Infrastructure Strategy. Two of the key considerations in managing this process will be affordability and deliverability.

The risks and consequences of the final LTP budget will balance affordability and deliverability versus not meeting demand, reducing levels of service, risks of future inflation to building costs on delayed projects, and increased risk of asset failure due to underinvestment in maintenance or renewal costs.

1.6 Future Change

The following main areas can be improved upon through the development and implementation of improved processes or methodologies, behaviours and tools. Improvement in these areas will enhance operational efficiency and effectiveness and improve overall asset management maturity;

- Data Quality - Improve the quality of property data, firstly by processing and centralising all current data held in various documents, excel, and reports, into one source of truth.
- Data Capture and meaningful processing of it - Improve the consistency and timely capture, analysis, and processing of property data by all-FMOS, maintenance contractors, to facilitate efficient and timely capitalisation, insurance, valuation process.
- Critical assets- Follow and confirm recognised method of defining critical assets as is applicable to Property e.g. using recognised NZ Asset Management Support (NAMS) framework.
- Condition assessment strategy (CAS) and associated processes Document and implement CAS to pull together current ad-hoc process and improve for example, LTP planning years 10-30.

Introduction

2.1 Background

2.1.1 Organisation Context

New Plymouth District Council (NPDC or Council) serves the New Plymouth District (the district) situated in North Taranaki, in the North Island of New Zealand. Dominated by the majestic Taranaki Maunga, the Taranaki region has historically been built upon the dual economic pillars of dairy and petrochemical industry but has recently pivoted away from this dual reliance towards a wider economic foundation encompassing other industries to build regional economic resilience. While New Plymouth is the only city in the district, it encompasses a number of small towns including the communities of Waitara, Inglewood, Urenui and Ōakura. The district is currently home to a population of approximately 89,000 people, a figure which is forecasted to reach around 93,500 by 2029.

Figure 2.1.1 Taranaki local authority boundaries (image courtesy of TRC)

Providing adequate delivery of services and meeting the expectations and demands of a growing population will bring a number of challenges and opportunities which the organisation will need to plan for, fund, operate and maintain to provide the appropriate levels of service over the planning period.

The current operating environment of NPDC is being significantly impacted by the ongoing effects of the global COVID pandemic, the international instability caused by the war in Ukraine and the political reforms initiated by both the previous and the current central government. These challenges have created increased financial pressure to all Council departments and to the majority of Council's across New Zealand. More detail about these issues is covered in Section 4 – Demand.

2.1.2 Service Context

This Property AMP outlines how NPDC manages the assets associated within its Property portfolio. It also demonstrates how the Property Team will contribute to the delivery and community outcomes and priorities identified in the 2024-2034 Long-Term Plan (LTP).

The Council's range of facilities provides for a creative and connected community and enhances the aesthetic of the New Plymouth district (the district), making it an attractive place in which to live, work and visit while balancing the needs and wants of the community through prudent delivery of facilities.

The Council's Property team is responsible for operating, maintaining, developing, acquiring, disposing, and leasing assets associated with the Council's land and building portfolio. This includes community libraries and service centres, library and museum, art gallery, event venues, community halls, public toilets, bus station, parks depot, administration building, investment property and housing portfolio. The property service also includes manging approximately 1100 lease agreements ranging from community leases to sporting clubs to commercial hospitality leases as well as managing leases where Council is the lessee. As well as managing the assets associated with the Council's building and property asset portfolio, the Property team also delivers services to other businesses and teams within the Council supporting the delivery of Council services.

A range of Council staff are involved in preparing and delivering the Property AMP and providing support services for asset management. How these responsibilities are allocated, managed, and delivered are shown in the Asset Management Strategy. The key stakeholders involved in the preparation and implementation of this AMP are outlined in table 2.2.3.

2.1.3 Asset Summary

Property assets are distributed across the district with most assets located in New Plymouth or the main townships of Waitara and Inglewood. The Property Services portfolio comprises approximately 250 buildings and 1800 land holdings with 75% of the land administered under the Reserves Act 1977.

The buildings and land assets support the delivery of Council services. The buildings are managed to ensure statutory compliance, planned and reactive management, and augmentation and renewals are planned and implemented to ensure the assets are suitable for the many and varied services NPDC offers. A summary of the significant assets included in the AMP are as follows:

- Civic Centre comprising chambers, reception and offices for staff and external tenants
- 3 large venue and events facilities
- District aquatic centre plus four community swimming pools
- Art Gallery
- District museum and library and three community service centres and library
- Water and waste buildings
- Emergency management offices
- Housing for the elderly portfolio and five private residential tenancies
- Public toilets
- Administration of New Plymouth District Council (Waitara Lands) Act 2018 ground lease portfolio and freeholding land sales
- A further 600 ground leases comprising a mix of community and market
- Land leased by Council

While the Property team manages Council's forestry portfolio and associated contracts, forestry currently sits outside the scope of this document. Additionally, while Yarrow Stadium is managed by NPDC on behalf of Taranaki Regional Council (TRC), it has its own AMP and sits outside of this document.

As part of Council's New Plymouth City Centre Strategy, the Metro Plaza building was purchased in 2019 for $1.55M. The strategy includes a vision to restore the Huatoki awa, with the intention of demolishing this building and providing public access along the Huatoki awa and linkages to Council reserves within the CBD area. Currently, the building remains within Council's property portfolio and is being managed in accordance with the principals of the above strategy.

2.2 Asset Management Planning

2.2.1 Goals and Objectives

AMPs are developed by NPDC to provide guidance on how to manage infrastructure and property assets to meet defined levels of service. They are used as supporting documents for the Infrastructure Strategy and LTP, which are required under the Local Government Act (LGA), clauses 101B and 93 respectively.

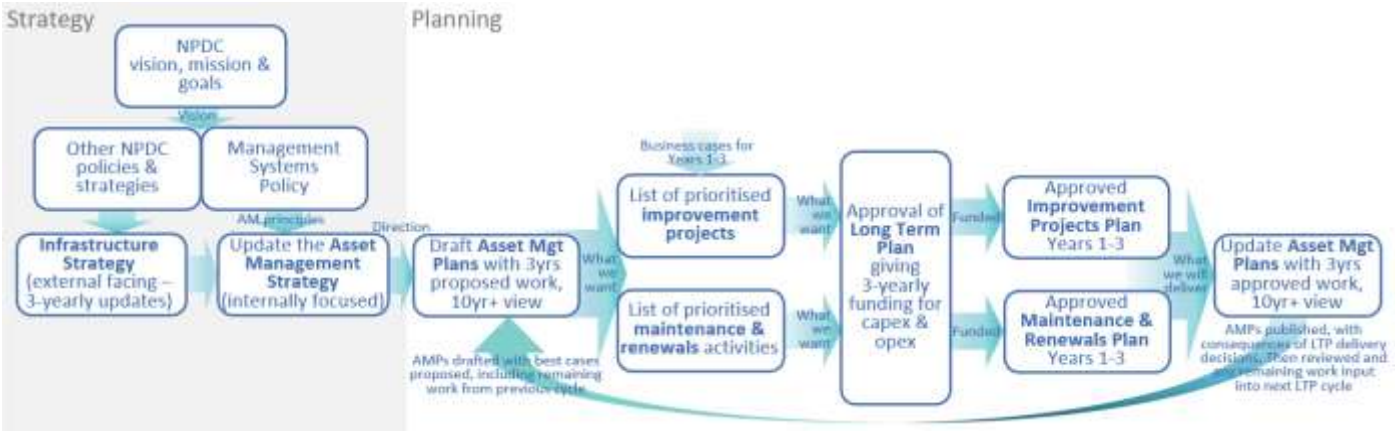
This AMP identifies and addresses the following key elements;

- Defining the levels of service and monitoring overall performance
- Identifying and managing the impacts of changing demand
- Assessing the complete lifecycle requirements for the asset portfolio and developing cost-effective strategies for management of those assets
- Identifying, assessing, and treating risks and improving asset resilience
- Outlining the trade-off between service and risk
- Connecting the forecast costs to the financial LTP, and
- Identifying and acting on opportunities for improvement

2.2.2 Process

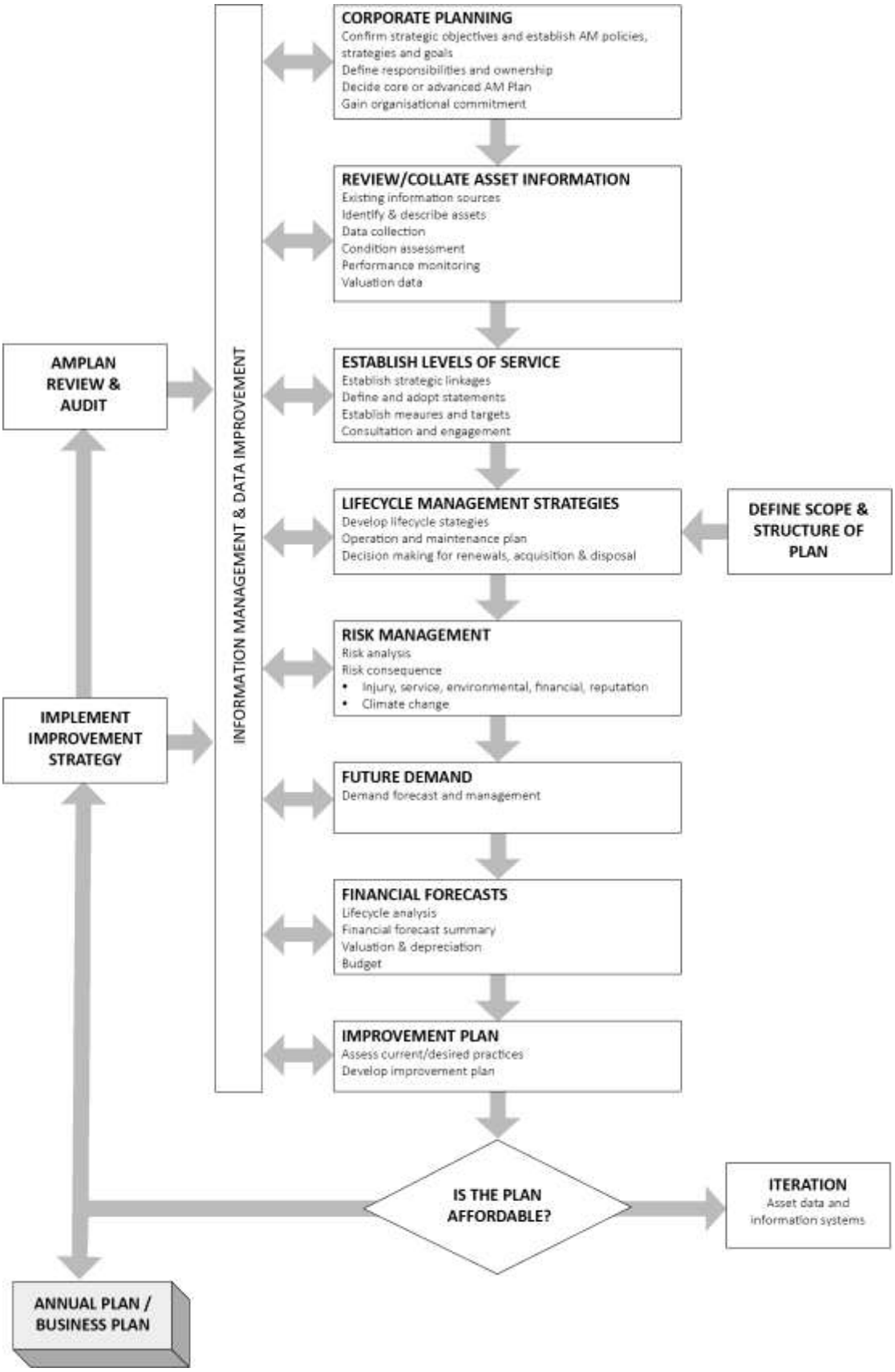
The development of AMPs is part of an overall governance process that is outlined in the Asset Management Strategy. A summary of this process is given in Figure 2.2.2.1.

Figure 2.2.2.1: Asset management governance process



NPDC's AMPs are prepared following the International Infrastructure Management Manual (IIMM) Road Map as shown in figure 2.2.2.

Figure 2.2.2.2: IIMM Asset management planning road map



2.2.3 Key Stakeholders

The key stakeholders involved in the preparation and implementation of this AMP are outlined in Table 2.2.3 below.

Table 2.2.3: Key Stakeholders

Stakeholder	Role in Asset Management Plan
New Plymouth Council Elected Members & Mayor	• Represent the needs of community • Define the long-term vision, mission and goals for the district • Ensure that services remain financially sound and sustainable • Hold Council staff to account for delivery of services at the desired service level
NPDC Chief Executive	• Endorsement of AMPs and actions contained within • Drive engagement at organisation's top-level for alignment of AM planning with LTP and other organisational-wide strategic plans, strategies and policies • Sets standards, timeframes and expectations for AM plans and strategic direction of organisation.
General Manager Operational Excellence	• Delivery of Council's Infrastructure Strategy and key supporting documents • Sponsor the development of the asset management plans including authorising appropriate resources • Set high level priorities and timeframes for plan preparation • Endorse, support, and provide resources for the implementation of actions resulting from the plan • Support improvement of asset management practices, including supporting implementation of relevant new policies, processes and procedures
Property team	• Governance business owner for capex renewals, opex planning and delivery of the facilities • Review, prepare, amend, add, signoff and deliver Asset management plan for publishing • Manage leases, licences and land occupation agreements • Ensure all property acquisitions and disposals comply with Council policy and processes and comply with statutory obligations • Maintain properties that are fit for purpose and statutory compliant
Operational teams	• Business owners occupying or operating from the buildings or venues
Project managers	• Deliver capital project works to meet operational needs and fulfill the change requirements defined in the relevant business case • Lead significant acquisition, renewal and disposal works including planning, procurement and commissioning of new assets
External parties – regulators	• Set requirements in the form of regulations and legislation
External parties – community	• Provide feedback by responding to Council surveys and public engagement sessions
Asset influencers	Staff from other divisions providing important information related to recent reports, strategies, decisions, policies that needs to be added to the AMP

Levels of Service

Under the Local Government Act 2002 (LGA), councils are required to "meet the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective". This requirement translates into a level of service (LoS) – a statement by Council that clearly identifies what it intends to deliver in terms of providing local infrastructure, public services and regulatory functions.

This AMP section outlines the major contributors for defining levels of service statements, the level of service targets that Council is aiming to meet, how those service targets are measured, and the consequences to our communities where levels of service are not achieved. By defining levels of service statements and linked performance measures Council is able to measure performance towards achieving strategic goals and outcomes, as well as identify where performance results achieved differ from performance targets – these are level of service gaps. Where available budget plays a key role in level of service underperformance, the consequences to the organisation and the communities needs to be stated.

3.1 Customer Research

Understanding the requirements of our partners and stakeholders is critical to delivering the service that best meets their needs. Council utilises several consultation tools to understand the priorities of residents, visitors, special interest groups, community boards, local businesses and iwi which include;

- Annual independent community survey (Research First)
- In-house visitor feedback surveys
- Council website hosted surveys
- Formal consultation for LTP and Annual Plan documents
- Public and Council meetings
- Hearings
- Social media posts

3.1.1 Community Survey

An independently managed community survey is undertaken annually by Research First to understand customer satisfaction across all of Council's activities. Feedback from the 2023 New Plymouth Community Survey has been summarised in Table 3.1.1 below.

Table 3.1.1 Community survey feedback

Performance Measure	Satisfaction Level			
	Not Very Satisfied	Fairly Satisfied	Very Satisfied	Don't Know
Satisfaction with Event venues	4 %	49%	40%	7%
Satisfaction with the quality of public toilets	15 %	49%	24 %	12 %

Feedback – Venues and Events

Almost nine in ten residents were satisfied (89 percent were fairly/very satisfied) with the district's event venues, slightly above the 2022 level of 86 percent.

Figure 3.1.1.1 Satisfaction with event venues and events – over time

Feedback – Public toilets

Satisfaction with the quality of public toilets remained the same as 2022, at 73 percent. Respondents suggested that the quality could be improved by increased cleanliness.

Figure 3.1.1.2 Satisfaction with quality of public toilets – over time

3.1.2 Other feedback

A Housing for the Elderly (HfE) customer satisfaction survey is undertaken annually. Feedback from the 2023 survey has been summarised in Table 3.1.2 below.

Figure 3.1.2 Housing for the Elderly Customer Satisfaction Survey Results

Performance Measure	Satisfaction Level			
	Poor	Satisfactory	Good	Excellent
Satisfaction with the service overall	0%	7.8%	52.9%	39.2%
Satisfaction with the general condition of the accommodation	2.0%	15.7%	60.8%	21.6%
Satisfaction with timeliness in which maintenance is carried out on accommodation after being reported	6.1%	20.4%	42.9%	30.6%
Satisfaction with the rate the maintenance work carried out	3.9%	15.7%	51.0%	29.4%
Satisfaction with the communication, frequency, and value of 6-8 weekly visits by the housing officer	0%	10.4%	43.8%	45.8%

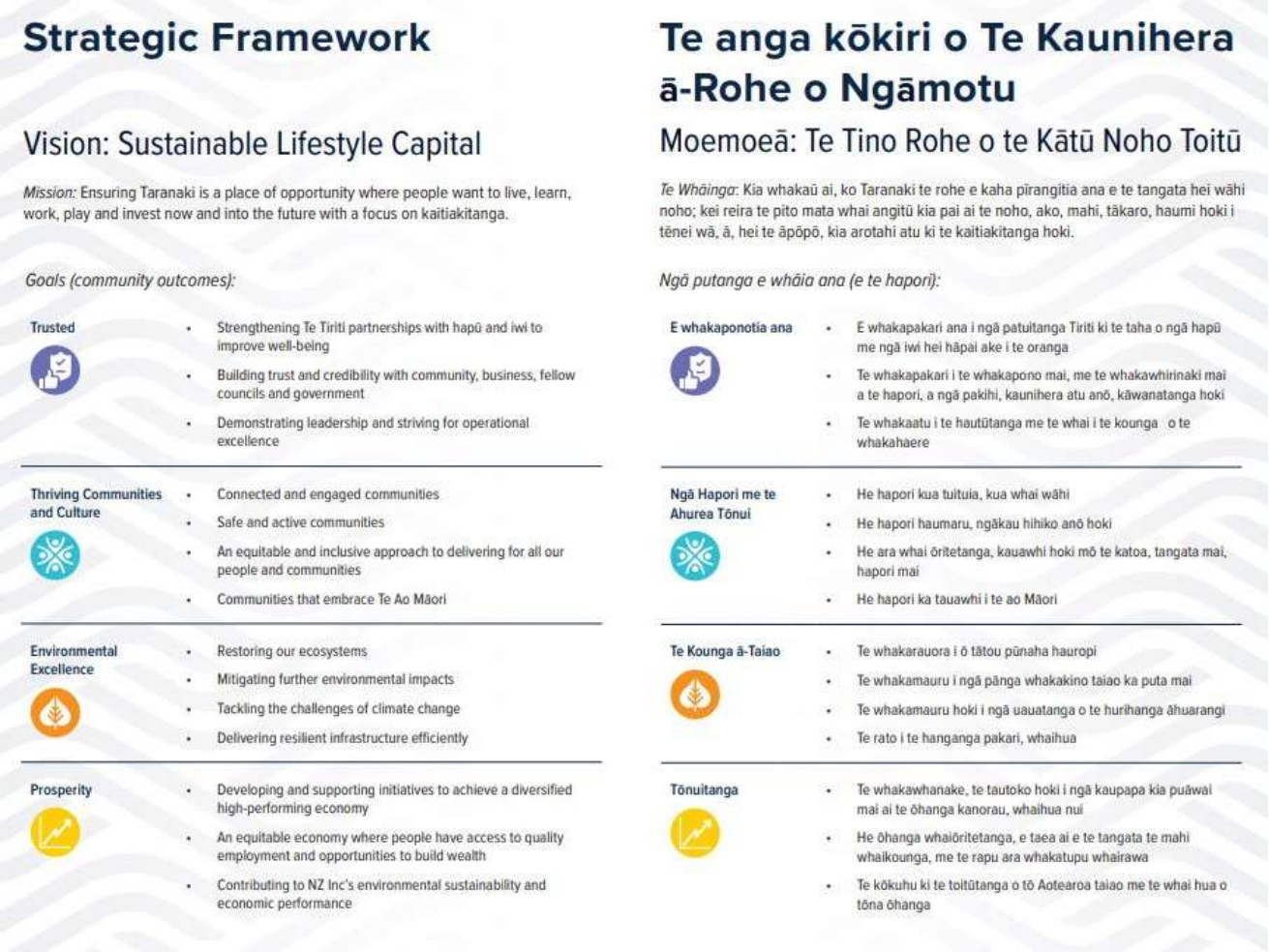
3.1.3 Critical customers engagement

Some customers require a higher level of service than the average person. The needs of these critical customers are known and monitored, with regular reviews to ensure information is current. These critical customers are summarised in Table 3.1.3.

Table 3.1.3: Critical Customer summary

Critical customer type	Examples of specific customer needs	How we engage	Critical Customer feedback
Records and Information team	Fit for purpose archival storage facility with strict temperature control	Collaborative understanding of requirements governed by Records Act 1975	Two main heat pumps requested to regulate internal temperature and humidity
Museum and Library management	Fit for purpose facilities	Collaborative understanding of Requirements to protect taonga	Improvements to HVAC and lighting to optimise internal environment
Museum and Library management	Annual check for legionnaire's disease in cooling towers	Collaborative understanding of requirements to protect staff and users	Monitor annual testing
Lesser abled public	Easy access to public facilities	Accessibility committee membership and take on board initiatives where feasible	Increase accessibility focus in the future

3.2 Strategic and Corporate Goals



Strategic Framework

Vision: Sustainable Lifestyle Capital

Mission: Ensuring Taranaki is a place of opportunity where people want to live, learn, work, play and invest now and into the future with a focus on kaitiakitanga.

Goals (community outcomes):

Trusted	• Strengthening Te Tiriti partnerships with hapū and iwi to improve well-being • Building trust and credibility with community, business, fellow councils and government • Demonstrating leadership and striving for operational excellence
Thriving Communities and Culture	• Connected and engaged communities • Safe and active communities • An equitable and inclusive approach to delivering for all our people and communities • Communities that embrace Te Ao Māori
Environmental Excellence	• Restoring our ecosystems • Mitigating further environmental impacts • Tackling the challenges of climate change • Delivering resilient infrastructure efficiently
Prosperity	• Developing and supporting initiatives to achieve a diversified high-performing economy • An equitable economy where people have access to quality employment and opportunities to build wealth • Contributing to NZ Inc's environmental sustainability and economic performance

Te anga kōkiri o Te Kaunihera ā-Rohe o Ngāmotu

Moemoeā: Te Tino Rohe o te Kātū Noho Toitū

Te Whāinga: Kia whakaū ai, ko Taranaki te rohe e kaha pirangitia ana e te tangata hei wāhi noho; kei reira te pito mata whai angitū kia pai ai te noho, ako, mahi, tākaro, haumi hoki i tēnei wā, ā, hei te āpōpō, kia arotahi atu ki te kaitiakitanga hoki.

Ngā putanga e whāia ana (e te hapori):

E whakaponotia ana	• E whakapakari ana i ngā patuitanga Tiriti ki te taha o ngā hapū me ngā iwi hei hāpai ake i te oranga • Te whakapakari i te whakapono mai, me te whakawhirinaki mai a te hapori, a ngā pakihi, kaunihera atu anō, kāwanatanga hoki • Te whakaatu i te hautūtanga me te whai i te kounga o te whakahaere
Ngā Hapori me te Ahurea Tōnui	• He hapori kua tuituia, kua whai wāhi • He hapori haumaru, ngākau hihiko anō hoki • He ara whai ōritetanga, kauawhi hoki mō te katoa, tangata mai, hapori mai • He hapori ka tauawhi i te ao Māori
Te Kounga ā-Taiao	• Te whakarauora i ō tātou pūnaha hauropi • Te whakamauru i ngā pānga whakakino taiao ka puta mai • Te whakamauru hoki i ngā uauatanga o te hurihanga āhuarangi • Te rato i te hanganga pakari, whaihua
Tōnuitanga	• Te whakawhanake, te tautoko hoki i ngā kaupapa kia puāwai mai ai te ōhanga kanorau, whaihua nui • He ōhanga whaiōritetanga, e taea ai e te tangata te mahi whaikounga, me te rapu ara whakatupu whairawa • Te kōkuhu ki te toitūtanga o tō Aotearoa taiao me te whai hua o tōna ōhanga

This AMP is prepared under the direction of the Council's Vision, Mission and Goals, as shown in Figure 3.2.1. This strategic framework is available on NPDC's website at the following weblink: https://www.npdc.govt.nz/planning-our-future/our-vision/.

Figure 3.2.1: NPDCs Vision, Mission and Goals

How these goals are aligned to the Asset Management Strategy focus areas and how they will be addressed by this AMP is summarised in Table 3.2.1 below;

Table 3.2.1: Organisational goals, asset management strategy focus areas and how these are addressed in this Plan

Goal	Focus Area/ Objective	How Goal and Objectives are addressed
Trusted **Building credibility**	*Improve our asset data* – We will improve the quality of our asset data by identifying and addressing gaps and improving data collection.	We are currently working on implementing a new asset management information system (AMIS) to enhance Property's ability to manage its current and future assets. This will involve producing accurate reports on performance, condition, finances, and other important information. We also aim to improve document management processes, resulting in greater efficiency and ease of use for staff. This will lead to better

		service delivery and statistics for users, as well as faster response times for service requests and timely rent reviews. Overall, this system will improve revenue generation, increase accuracy in valuations, and provide better data on asset condition, criticality, compliance, and accessibility.
Thriving Communities and Culture **Equitable & inclusive**	*Improve our processes* – We will identify and implement process improvements to improve overall efficiency.	Asset data is spread across multiple end-of-life systems and Excel Workbooks, which inevitably leads to errors and omissions occurring with data input, a lack of standardisation and difficulty in controlling quality, completeness, and security of the data. The new AMIS will provide improved up-to-date asset, lease and lessee data, and a single view of the asset and lease data, with the Enterprise Resource Planning (ERP)/Adapt core data regarded as the single source of truth; Improved response times on service requests; deliver timely rent reviews leading to improved revenue generation, the core business systems will be able to seamlessly exchange data; team members who need to transcribe their notes directly into their mobile device anywhere and at any time; team members will be able to access databases in the field using hardware, mobile data and other applications. Our project management processes are being developed to support thorough planning and design to ensure our iwi partners needs are heard and addressed.
Environmental Excellence **Efficient & resilient**	*Reduce our emissions* – We will address how we can reduce emissions to meet the Emissions Reduction Plan target of zero emissions by 2050.	The NPDC 2019 Emissions reduction plan sets out a climate action framework to both adapt to the impacts of climate change and work to reduce emissions. NPDCs' everyday operations create emissions - mainly waste, gas and fuel and account for about 5 % of the district's total emissions. NPDC climate team has developed a plan to lower emissions -the property team will be involved with fuel switching (from gas to electricity) as a start.
Prosperity **High-performing & equitable economy**	*Improve our planning* – We will empower our leaders to focus their effort on medium- and long-term planning and reduce their need to focus on firefighting.	The implementation in recent years of new systems to enable a collaborative approach across council in e.g. Property Jobs Data Base, shared drives, P3M system, and SharePoint has and will further improve planning, particularly resource planning. Analytics that come out of the new AMIS will inform future planning around renewals and reactive versus planned maintenance.

In addition to the above, there are other strategies with drivers and goals that are relevant to the management of our infrastructure. These strategies and their relevant drivers/goals are captured in Table 3.2.2.

Table 3.2.2: Other strategic objectives and how these are addressed in this Plan

Strategy	Objective/ driver	Description
Infrastructure Strategy	Ensuring our existing assets remain fit for purpose	Ensuring that renewals of existing assets or components follows best practice, reflect need not want, what is necessary for the building to be functional, fit for purpose, presentable, durable but user comfortable, provide tangible value for money benefits (given the age of the building and expected remaining life); comply with all legislative requirements, take account of community outcomes and options.
	Resilience and adapting to climate change	The property portfolio of buildings is aged; however the team has slowly been replacing older lighting in our buildings with LED lighting as the cost - benefits include longer lifespan (11 years) with less maintenance; better energy efficiency (80-90 % better) improved environmental (no mercury in bulbs), instant lighting, low voltage
	Providing for sustainable growth and the changing needs of our community	Masterplans and strategic plans such as: TEAC master plan and previous (2011-2013); Parks Pukekura Park and Zoo plan, Housing for the elderly masterplan (2019), Pukekura Raceway master plan, CBD Strategy. These plans that will provide for sustainable growth and the changing needs of our community will all require Property service input at some stage as they develop or come to fruition

3.3 Legislative Requirements

There are many statutory and legislative requirements relating to the management of assets. Requirements that have a significant impact on the delivery of the Property service are outlined in Table 3.3. Other statutory and regulatory requirements are captured in Appendix 1.

Table 3.3: Significant Statutory and Legislative Requirements

Legislation/Regulation	Relevance to service/assets
Local Government Act 2002 (and 2010 amendments)	This Act sets the statutory requirements for local governments and includes the mandatory preparation and adoption of a 30-year Infrastructure Strategy that underpins each LTP.
Resource Management Act 1991 (and amendments)	This is the primary legislation dealing with the management of natural and physical resources. It provides a national framework to manage land, air, water and soil resources, the coast, subdivision and the control of pollution, contaminants and hazardous substances.
Health and Safety at Work Act 2015 (and amendments)	The objective of this Act is to promote the prevention of harm to all people at work, and others in, or in the vicinity of, places of work.
Healthy Homes Standards (2019)	Introduces specific and minimum standards for heating, insulation, ventilation, moisture ingress and drainage, and draught stopping in rental properties. The management of Council's rental properties needs to ensure compliance with this Standard.
Public Works Act 1981	The Public Works Act governs the acquisition and disposal of land by public authorities, including local authorities. It sets out the processes for acquiring land for public works, including compensation for landowners.

3.4 Customer Values

As a Local Government organisation, Council's primary customers are ratepayers who do not have a choice of supplier. In addition, Council is providing services to community groups, businesses, emergency services and visitors to the region. It is therefore essential that Council not only meet statutory requirements in delivering services, but that there is a strong understanding of customer needs and expectations including:

- What is important to the customer
- Whether the customer sees value in what is provided and
- How customer satisfaction is expected to change based on the current budget

Table 3.4 describes the key deliverables from the perspective of the customer, and how these values are expected to be impacted over the ten-year term of this AMP. These are measured in terms of customer satisfaction which is typically determined through direct feedback via survey, service requests or complaints.

Table 3.4: Customer Values

Service Objective	**Provide safe, clean, tidy and accessible facilities for the community to enjoy**							
Customer Values	**Reporting Level**	**Satisfaction Measure**	**Current Feedback**	**Target**				**Expected Trend**
				2024/25	**2025/26**	**2026/27**	**2034/35**	
Buildings are well maintained and fit for purpose	AMP	Direct feedback	Maintenance contracts are in place for all major maintenance types	Contractor meets KPIS	Contractor meets KPIS	Contractor meets KPIS	Contractor meets KPIS	Maintenance contracts set the agreed KPIS
Buildings are kept in a presentable condition	AMP	Direct feedback /survey	Buildings are cleaned regularly, and programmed re-paints are in place over the 10 years.	Deliver to programme	Deliver to programme	Deliver to program	Deliver to programme	Planned re-paints could be pushed out due to budget pressure
Identify and programme Capital expenditure work accurately using up-to-date condition data	AMP	Maintain property inspections and update condition assessments in a system	90% of buildings have been formally inspected and assessed	50% of condition assessments processed	75% of condition assessments processed	100% of condition assessments processed	100% of condition assessments processed	Make more use of inhouse staff and contractors due to budget

Efficient delivery of Capital expenditure work by Facilities / Projects team	AMP	Capital works completed within budget, on time and to quality standards.	Not all planned capex works able to be delivered due to resources, variations and cost inflation	Within + or - 10 % of budget	Within + or - 10 % of budget	Within + or - 10 % of budget	Within + or - 10 % of budget	No change short-term but improve over time
Effective and efficient lease management agreements in place with anyone occupying our land or buildings	AMP	All leases, licences and occupancy arrangements both internal and external are managed professionally to ensure efficient operation, maintenance and financial performance	New Lease system in development	Rents reviewed on time as set by the lease	Rents reviewed on time as set by the lease	Rents reviewed on time as set by the lease	Rents reviewed on time as set by the lease	Improve over time
Energy Efficiency	AMP	Consider energy-efficient building practices and materials to comply with energy efficiency regulations and reduce our building's environmental impact.	New council initiatives coming on stream	1% reduction in NPDC emissions	2% reduction in NPDC emissions	3% reduction in NPDC emissions	4% reduction in NPDC emissions	Improve over time as direct focus on this issue

3.5 Levels of Service

The standard of service provided by Council is defined by the agreed level of service. The agreed LoS for Property are;

- We effectively coordinate and administer the housing for the elderly service
- Provide quality public toilets across the district
- Provide safe, compliant, accessible and secure facilities
- Building warrants of fitness are kept up to date
- Buildings and property are maintained at an acceptable quality appropriate for its purpose

Council's performance against these LoS is measured using replicable, factual measures that are SMART;

- Specific – it is clearly defined what the measure relates to
- Measurable – success or failure can be measured without interpretation bias
- Achievable – something that is possible to achieve
- Relevant – something Council can reasonably be expected to have an impact on
- Time-bound – a timeframe for completion or measurement is defined

These measure are further grouped into two key categories:

- Customer Performance Measures (C): measure how the customer receives or experiences the service, in the context of what matters most to the customer, and
- Technical Performance Measures (T): measure the service the organisation provides in terms that are relevant to delivery, this includes technical indicators that may not be easily understandable to the layperson

The same level of service may be measured by considering either or both perspectives. This ensures that customers are able to interpret performance in a manner that is understandable to them, while regulators can also see that Council performance is meeting the required targets.

Table 3.5.1 outlines the measures used to determine the overall performance of these assets.

Table 3.5.1: Level of Service Measures

Relevant Services	Housing for the Elderly Portfolio management							
Level of Service Statement	Effectively coordinate and administer the housing for the elderly service.							
Measure	**C / T**	**Reporting Level**	**Latest Result (2022/23)**	**Target**				**Expected trend**
				2024/25	**2025/26**	**2026/27**	**2034/35**	
The percentage of tenants satisfied with the service.	C	LTP	100% 	90%	90%	90%	90%	Performance is expected to remain the same.
Relevant Services	Public Toilets management							
Level of Service Statement	Provide quality public toilets across the district							
Measure	**C / T**	**Reporting Level**	**Latest Result (2022/23)**	**Target**				**Expected trend**
				2024/25	**2025/26**	**2026/27**	**2034/35**	
The percentage of the community satisfied with the quality of the district's public toilets.	C	LTP	83% 	80%	80%	80%	80%	Performance is expected to remain the same.

Relevant Services	Puke Ariki and Community Libraries							
Level of Service Statement	Ensure our libraries are accessible across the district.							
Measure	C / T	Reporting Level	Latest Result (2022/23)	Target				Expected trend
				2024/25	2025/26	2026/27	2034/35	
The average number of customers per day across Puke Ariki and community libraries.	C	LTP	New Measure	1,000 per day				Future trend to be determined once current performance is better understood.

Relevant Services	Aquatics Facilities							
Level of Service Statement	Provide high quality pools that encourage community participation in aquatic activities.							
Measure	C / T	Reporting Level	Latest Result (2022/23)	Target				Expected trend
				2024/25	2025/26	2026/27	2034/35	
The percentage of residents satisfied with NPDC's swimming facilities	C	LTP	92% (target 94%)	85%				Performance is expected to remain the same.

Relevant Services	Compliance Management							
Level of Service Statement	Provide safe, compliant, accessible and secure facilities							
Measure	C / T	Reporting Level	Latest Result (2022/23)	Target				Expected trend
				2024/25	2025/26	2026/27	2034/35	
Percentage of properties complying with all legislative and technical requirements	T	AMP	100% 	95%	95%	95%	95%	Performance is expected to stay at its high status as compliance is a priority with EQ prone buildings still technically compliant

Relevant Services	Building warrant of fitness management						
Level of Service Statement	Building warrants of fitness are kept up to date.						
Measure	C / T	Reporting Level	Latest Result (2022/23)	Target			Expected trend
				2024/25	2025/26	2026/27	2034/35	
Percentage of buildings that are applicable, to be compliant with BWOF	T	AMP	100 % 	95%	95%	95%	95%	Performance is expected to stay at its high status as compliance is a priority

Current performance can be seen at a glance using the icons within the table. These icons are described in table 3.5.2 below.

Table 3.5.2: Key

Icon			
Status of current performance	Performance target met	Substantially achieved, target not met by a slim margin (~2%)	Target not met.

Future Demand

4.1 Demand Drivers

Demand drivers are those factors which impact the extent to which an asset or service is required and used, or the type of service required. Demand drivers include factors such as:

- Population size, growth and demographics
- Urban development including residential dwelling growth, location, makeup and quantity
- Consumer requirements, preferences, expectations and patterns of use
- Technology type, use, rate of change, level of interaction and customer expectations
- Legislative environment including central government reform
- District economy including changes in the dominant industry and increases in specific high impact industries such as agriculture
- Tourism industry, visitor numbers and financial changes
- Environmental factors such as those occurring through climate change

The specific factors relevant to each service and the impact of those drivers are expanded upon below.

4.2 Demand Forecasts

NPDC prepares and adopts a range of non-financial forecasting assumptions to support the preparation of significant plans including AMPs and the LTP. These assumptions present a likely future scenario of projected changes in key demand drivers. By adopting one set of forecasting assumptions Council can have confidence that each plan will be aligned and focused towards fulfilling the same organisational objectives and long-term outcomes for the community.

4.3 Demand Impact and Management Plan

The impact of relevant demand drivers on Property service and how those impacts are managed is shown in table 4.3.

Council utilises a variety of demand management strategies to control the extent to which demand has an impact on customer satisfaction and levels of service. These demand management strategies include:

- Changing the management of existing assets such as:
    - balancing peak and off-peak demand,
    - optimising utilisation,
    - reducing wastage,
- upgrading existing assets,
- providing new assets, and
- reducing levels of service to meet customer appetite/willingness to pay.

Table 4.3: Demand Management Plan

Demand driver	Current position	Projection	Impact on services	Demand Management Plan
Population	Estimated district population in 2024: 89,000	2034 projected population: 98,800 (11% increase)	Increased use of facilities will create additional wear, and demand for greater capacity within buildings there will also be a demand for larger buildings.	Bell Block, Waitara and Oākura libraries are being considered for extension to meet future growth. Service requests will be monitored for change in trend. Consider longer opening hours or adding an additional library bus to meet increased need.
Age	2024: 0-14yrs – 19% 15-39yrs – 29% 40-64yrs – 31% 65+yrs – 20%	Population is aging, decreasing proportion of youth and increase in over 65s. 2034: 0-14yrs – 16% 15-39yrs – 31% 40-64yrs – 29% 65+yrs – 23%	Increased use of facilities, increased number of rate payments on fixed income, increased requirement for accessible buildings/infrastructure (see accessibility below)	Manage increased expectations, ensure new work to existing and new facilities are designed with elderly people in mind.
Accessibility	Proportion of district residents with accessibility issues: 7.5%	Expected to increase to 8.5% by 2034	Increased expectation of facilities being designed with accessibility in mind and that all spaces can be accessed.	Plan to increase accessibility as practicable as possible as part of planned renewals or when relevant upgrades are occurring.
Economic activity	NP District GDP 2022: $7.02B	Expected to increase at a steady rate of 1.5%/year	Expected to remain steady.	No significant increase in demand expected, monitor for change.
Employment rates	Unemployment is at a historic low of 3.5% (2022)	Unemployment is expected to increase slightly to 5.0% by 2034	More use of our public facilities such as the libraries.	No significant increase, monitor for change.
Tourism	Expected to recover from Covid depression by 2024/25 with a $340M spend in 2024.	Estimating slow growth to $471M total spend in 2033/34.	Increased visitor count to public facilities will cause increased wear on buildings as well as to furniture, fixtures and fittings. Operating costs will increase, and expansion of public facilities and toilets will be required.	Monitor for increases in service requests/ complaints, requests from event organisers. Monitor the InfoMatrix on tourism to the region. Monitor condition assessment more closely to plan for any upgrades or renewals.
Government Reforms	Three Waters Reform, RMA Reform and Local Government Act review all underway but expected to be repealed or changed within 6-months.	Formal reforms to be repealed in favour of a Local Government led approach. Increased compliance costs anticipated. May be a drive for regionalisation of management of some major assets.	Variety of proposed changes to legislation to replace the reforms. More certainty required to identify resourcing implications.	Council to continue standard practice of monitoring and reviewing change when new legislation is drafted.

Increasing technology	Increasing use of online & downloadable technology such as e-books, audiobooks & programmes via internet	Increased use of mobile & interactive technologies such as smartphones, computers, tablets, and VR systems.	Increased requirement for buildings to support interactive spaces or computer labs with high power and internet use.	Buildings may need to be reconfigured to incorporate more spaces to use technology. Ensure new work to existing and new facilities are designed with this in mind.
Earthquake strengthening	Legislative change requires buildings meet a higher standard for earthquake strengthening	Ongoing expectation that buildings be more able to protect against impacts of earthquakes	Major buildings that have not already been assessed and signed off will undergo seismic assessments in accordance with the Building Act. Depending on result of the assessment the facilities operation may be impacted	Assessments will be undertaken as required with future strengthening works to be planned in accordance with assessment findings, balanced against risk and costs. If required a plan for seismic strengthening will be developed based on risk, heritage values, legislation, cost and budget priorities.
International instability	War in Ukraine and the Covid pandemic is driving up the cost of fossil fuels and causing supply chain shortages & delays	Significant cost increases in fossil fuel (e.g.: gas for boilers, diesel for generators). Significant delays sourcing equipment parts from overseas	Cost to run HVAC and electrical generators significantly increased. Risk of equipment/ systems remaining broken for extended periods due to supply chain problems.	Climate adaptation plan established, look to replace outdated gas boilers with higher efficiency electric heat-pumps. Include in our Maintenance Contracts the ability to provide backup services or equipment at short notice.
Improved iwi engagement	Te Tiriti O Waitangi is becoming a significant driver for NZ activities	Relationship with local iwi and hapū developed into full partnership	Incorporation of more Māori principles and iconography into building construction and design.	Council is improving partnership with iwi through the development of engagement forums and processes. Iwi will be involved in projects from early conception to ensure their priorities are understood and needs are met.
Compliance with Legislation and Resource Consent Conditions	Legislation changes on a regular basis.	Expected changes due to reforms and political drivers.	Increase in budget requirements to meet the new regulations and legalisation.	Monitor changes and plan to allow budget to scope action and comply.
Lack of Construction and Trade Services	Shortage of construction and trade services.	Continued shortage expected.	Ability to deliver capital works programme and maintenance activities on time and within budget.	Early planning and procurement of major projects. Ensure maintenance contracts are in place and renewed on time.

4.4 Asset Programmes to meet Demand

The new assets required to meet demand may be acquired, constructed or donated. Additional assets are discussed in Section 5.4.

Acquiring new assets will commit Council to ongoing operations, maintenance and renewal costs for the entire length of time that the asset provides a service to the community. Forecasting these

changes in costs is currently completed inconsistently or not at all. This has a flow-on effect whereby forecast costs for operations and maintenance can be underestimated, or at worst, not taken into account for long term budget planning. Development and implementation of a process for lifecycle costing is recorded as an improvement action in Section 8.

4.5 Sustainability & Resilience

Council has a vision of becoming a Sustainable Lifestyle Capital. Council's sustainability efforts are driven by a focus on:

- conservation of energy and resources (such as water)
- nurturing, and reducing our impacts on the environment
- increasing biodiversity in our district
- increasing recycling and working towards zero-waste
- sustainable procurement practices
- planning and building communities and infrastructure that interact with the environment, and
- working toward net-zero emissions

These things are achieved through a combination of changing the work practices within our organisation and educating the community to be more sustainable in their own homes and workplaces. Table 4.5.1 summarises the changes to assets that could be made to increase overall sustainability.

Table 4.5.1 Building asset sustainability

Proposed new/ changed asset	Long-term impact/ sustainability concern	Outcome of planned change
Double glazing	Increased temperatures or temperature extremes results in HVAC system deteriorating more rapidly.	Reduce temperature transfer into and out of buildings.
Solar panels	Increase in electric vehicles and decrease in general fossil fuel use is driving an increase in power consumption and therefore price.	Generate more power at the facility, reduce purchase of power from supplier.
Heat pumps	Gas powered boilers are becoming more expensive to run and are less efficient than modern technologies.	Replace boilers with high efficiency heat pumps that do not require gas to run.
Cladding/roofing/ general building materials	Disposal costs for waste accumulated during construction work are increasing, more expectation that materials are recycled or repurposed.	Utilise building materials that are easy to reuse and recycle.
Green spaces	Green spaces improve air quality and environment in indoor environments.	Construct green spaces within and around our major buildings.
Fuel Switching	Switch from gas to electricity	Feasibility studies for fuel switching where renewals are planned. Plan for switching from fossil fuels to electrification of plant.

NPDC, like many organisations, is working to improve sustainability and resilience in recognition of the requirements of the Paris Agreement to minimise the increase in global average temperature and

address climate change. The New Zealand Government signed this agreement and NPDC as a territorial authority of New Zealand are bound to meet these requirements.

4.6 Climate Change Adaptation

Climate change has the potential to have significant, long-term impacts on the assets managed by Council, and the services they provide to communities. Within the context of the Asset Management Planning process climate change can be considered as both a future demand and a risk.

Climate change is anticipated to result in a number of impacts, such as greater extremes of temperature and weather, more frequent severe weather events, and elevated sea-levels. These impacts are likely to have direct consequences on Council assets, the services they provide, and the communities that depend on those services.

Council has made a commitment to reducing the district's overall contribution to greenhouse gas emissions and has prepared a District-wide Emissions Reduction Plan that outlines the current state, identifies how reducing emissions could impact climate change, what NPDC's role in emissions reduction is, and specific actions that will be taken as we work towards meeting the national targets as indicated in Aotearoa New Zealand's first emissions reduction plan. These plans are part of a network of related documents that guide Council's decision-making in this space, as shown in Figure 4.6.1.

Figure 4.6.1: Decision-making documents relevant to sustainability

* Policies internal to NPDC

In addition to reducing the production of emissions, Council has identified the potential impact of climate change on its Property assets and the actions that will be taken to manage these issues is indicated in Table 4.6.1 below.

Table 4.6.1 Managing the Impacts of Climate Change on our Assets and Services

Climate Change Description	Projected Change	Potential Impact on Assets and Services	Management
Severe weather events	Increase in rainfall quantity and duration, increase in strong wind events	Potential for increased deterioration rate of assets, flooding and damage of structure due to water ingress, increased reactive maintenance requirements	Increase maintenance frequency for structures that manage water such as gutters and downpipes to reduce likelihood of blockages, monitor asset condition for increased deterioration.
Increased temperature	Increase in power required to maintain consistent temperature inside buildings.	Increased wear on HVAC systems, potential for accelerated deterioration of coatings and temperature sensitive assets.	Consider including upgrade of insulation, glazing and other passive mechanisms to reduce heat lost/gain from buildings.
Community environmental expectations	Increased awareness of climate crisis results in community expectation that eco-friendly/ more sustainable systems be installed and used.	Increased cost to run and maintain older, less efficient systems as parts become more difficult to source. Long term savings may outweigh short term replacement costs.	Align with Council Climate Adaptation Plan and emissions reduction plan, complete feasibility study of installation of solar panels and other eco-friendly alternatives, plan to upgrade systems during renewals.
Elevated sea-level	Inundation of low-lying coastal areas, increased risk of flooding.	Land and buildings situated near the coast and waterways are at potential risk of damage.	Monitor change in water levels. Assess structures for water damage, conduct regular inspections following storm events. Consider location of any new infrastructure and renewals that could be impacted.

Lifecycle Management Plan

The lifecycle management plan section details how Council plans to manage and operate its assets to meet the agreed levels of service (refer to Section 3) while managing lifecycle costs.

5.1 Background data

5.1.1 Asset data and information

Asset data is collected and managed by Council within several key systems including:

- TechOne Enterprise Asset Management system (TechOne/EAM) – manages financial information, customer information and requests, asset registers and history, work order management and maintenance scheduling. It is linked with the TechOne Enterprise Content Management (ECM) system which manages records
- ArcGIS – manages spatial records (GIS)
- RedEye – manages all drawings including concept, working and as-built drawings
- SharePoint – supports the sharing of working and in-draft documentation, the collection of data into lists and the sharing of information and processes to internal parties via 'wiki' pages
- P3M Delivery framework/ Property Jobs data base – new software tool used to manage NPDC projects, programmes and portfolios including BAU property jobs
- Various excel workbooks and end of life systems

The quality of Council's asset data is essential for supporting effective decision-making in relation to our maintenance, renewal and upgrade work programmes. Information such as asset condition, remaining useful life (RUL) and asset valuations are central to the discussions in this AMP.

Asset data is captured through a variety of processes including;

- when new assets are acquired (e.g. capital projects, community developments, operational renewals),
- when maintenance works are undertaken,
- when new valuations or condition assessments are completed, and
- when assets are disposed of.

Consistent and timely capture of data has been identified as an area for improvement – both externally with contractors and subcontractors at asset installation, completion and commission stages, as well as internally between teams – and this will ensure that maintenance is undertaken correctly, insurance cover is appropriate, and assets are capitalised promptly within Council systems.

5.1.2 Asset hierarchy

An asset data hierarchy is a systematic and structured framework of business units, processes, systems and equipment into generic groups based upon organisational relationships and functions. The hierarchy allows Council to identify its assets and related components, as well as creating a clear and logical framework for asset management. A well-defined asset hierarchy is critical to Council's overall AMIS. The asset hierarchy includes the asset class and components used for asset planning and financial reporting, and service level hierarchy used for service planning and delivery. Data is continually updated with details from asset condition assessments and as asset repairs, improvements and completion of other operational works.

Current data confidence levels are indicated in Table 7.5.2.

The organisation's asset hierarchy is currently a work in progress, as Council is undergoing a system migration to an updated online version of TechOne. The migration towards an updated version of TechOne is a multi-stage rollout, and will deliver improvements to our asset data such as;

- Recording of land assets within the asset management system for whole-of-life asset management and reporting
- Implementing the review and alignment our asset data schemas delivered by the AIR project. This will align ADAPTs asset register to relevant asset management standards as well as identifying the business processes that they support.
- Providing the organisation an opportunity to undertake a data cleanse of our asset data prior to the data migration, to improve overall asset data accuracy and asset data system integrity.

5.1.3 Scope

The assets covered by this AMP are listed in Table 5.1.3.1 and Table 5.1.3.2.

Table 5.1.3.1: Building assets

Asset category	Description	Quantity	Asset value
Civic Centre	Civic Centre offices Ancillary buildings and parking	3	$14,000,000
Museum and Libraries	Govett-Brewster Art Gallery (GBAG)	1	$68,105,021
	Len Lye Centre	1	
	Puke Ariki Museum	1	
	Puke Ariki Library	1	
	Waitara Libraries/Service	2	
	Inglewood Libraries/Service	1	
	Archives building	1	
Events Buildings	TSB Showplace	1	$26,912,498
	TSB Stadium	1	
	TSB Bowl Soundshell Stage	1	

Pools	Todd Energy Aquatic Centre (TEAC)	1	$11,147,478
	Inglewood Pools	1	
	Waitara Pools	1	
	Fitzroy Pools	1	
	Ōkato Pools	1	
Regulatory and Transport buildings	Downtown carpark building	2	$5,132,100
	Warehouse carpark building	3	
	Dog Pound	3	
	Bus Station depot	1	
Parks Buildings	Main office and depots	13	$40,018,548
	Halls (urban and rural)	12	
	Public toilets	43	
	Crematorium	1	
	Camping grounds	2	
	Parks Buildings including Brooklands Zoo, sports clubrooms, parks, and reserves	70	
Wastewater treatment buildings	New Plymouth Wastewater Treatment plant	10	$7,364,958
	Waitara Wastewater treatment plant	2	
	Inglewood Wastewater treatment plant	1	
	Sewer pump service stations	8	
Water buildings	New Plymouth Water Treatment plant	7	$3,456,652
	Water Buildings	13	
Solid Waste buildings	Resource Recovery building	1	$5,001,300
	Colson Road landfill	3	
	Colson Road transfer station	7	
	Waitara transfer station	1	
Emergency Management & Business Continuance	Taranaki Emergency Management Office (TEMO)	1	$1,335,360
Strategic land holdings	Metro Plaza Building (Commercial shops)	1	$50,000
Community Partnerships	Housing for the Elderly (units)	145	$12,079,000
	Community House	1	
	Total value		**$194,602,915**

Table 5.1.3.2: Land Assets

Asset category	Description	Quantity	Asset value
Parks and reserves land	Greenspaces including esplanade strips	713	$222,018,576
General land	Land under Regulatory, HfE, 3Waters, Venues, Pools, Museums, TEMO and strategic purchases	236	$91,249,100
Waitara Leasehold land		1	$21,359,300
Investment property land	Land beneath Metro Plaza building	1	$1,200,000
	Total value		**$335,826,976**

Valuations are undertaken for all Property assets on a three-yearly basis. For all assets above, the most recent valuation was undertaken on 30 June 2022. The values shown in the above table are as at the date of this document and take into account depreciation, additions/deletions since the 2022 valuation date.

The assets described in this plan are primarily owned and maintained by NPDC. Council also provides support and assists in the management of assets wholly or partly owned by other parties including (but not limited to) those owned by Taranaki Regional Council, through joint ventures, via Council Controlled Organisations (CCO's), shared community assets, and assets owned by community groups that utilise Council facilities.

These assets are typically excluded from the full lifecycle planning process as while Council has a vested interest, the organisation cannot dictate future actions to be taken in the management of these assets. Table 5.1.3 details the assets that are specifically being excluded from this lifecycle management plan section and the reason(s) why.

Table 5.1.3: Assets excluded from this plan

Asset	Details	Why excluded
Plantation forest	Forestry assets (mainly growing trees) at various sites throughout Taranaki.	Forestry assets are currently managed as part of Councils investment portfolio or in joint venture agreement that will come to an end at harvest
Furniture, fixtures and equipment (FFE)	Contents of our buildings that are moveable	Portfolio is of low comparable value, short life, and is actively managed by council division occupiers
Specialist assets	Library books, Museum collections and tāonga, Pool plant	Not managed by NPDC Property service
Yarrows Stadium	Land and buildings assets owned by Taranaki Stadium Trust (TST)	NPDC maintains, manages and operates the facility on behalf of TST under a Management Agreement
Third party buildings	Buildings and infrastructure owned by third parties, situated on council owned land, under a ground lease	External ownership

5.1.4 Asset capacity and performance

Council aims to construct and maintain assets to meet design standards and specified performance requirements where these are available. However, there are insufficient resources to address all known deficiencies. Locations where deficiencies in service performance are known are detailed in Table 5.1.4.

Table 5.1.4: Known service performance deficiencies

Asset & Location	Service Deficiency
Lifts - Puke Ariki	Lift breakdowns are occurring at increased frequency. Project#27326 is underway to refurbish the Museum lift and restore full service. The library lift is also experiencing regular breakdowns, renewal works are planned for 2025-2026.
Housing for the Elderly (HfE)	The 145-unit HfE portfolio contains 7 sites that have 31 older bedsit units (1950's-1970's) that have potential to be re-developed to a greater density with new housing meeting modern standards. A project is underway to identify surplus land for additional units. As vacancies allow older units are upgraded to improve accessibility.
Todd Energy Aquatic Centre (TEAC)	Various reports including the 2011 Aquatic Masterplan, 2013 Aquatic Facility Study and a 2019 Options Study found that the current TEAC facility did not meet the aquatic needs of the district. Redevelopment costs were estimated at between $13M-$16M, with Council electing to defer redevelopment to later years. The current LTP bids for funding to do some re-development (ie: new café) subject to final LTP approval.
TSB Stadium, TSB Showplace, Puke Ariki Airbridge	Seismic Strengthening is being carried out at both TSB Stadium and TSB Showplace to lift the NBS to an acceptable level and at Puke Ariki airbridge for safety purposes.
TSB Stadium Fire Safety	TSB Stadium has insufficient volume of water available to assist with any fire emergency. This deficiency will be covered off as part of the Tuparakino Project.
Downtown Carpark	The carpark was closed December 2020 after being classified as earthquake prone. A project to address structural weaknesses in the building is in progress to complete safety work to enable the building to reopen December 2024 but the building will remain earthquake prone.

The above service performance deficiencies were identified from condition assessments, specialist reports or masterplan reports.

5.1.5 Asset condition

Asset condition is monitored and recorded on the asset register using a rating system, as detailed in Table 5.1.5.

Table 5.1.5: Condition rating system

Condition rating	Description of condition	% Remaining Life range
1	Excellent - free of defects, only planned and/or routine maintenance required	55-100
2	Good - minor defects, increasing maintenance required plus planned maintenance	37-54
3	Average - defects requiring regular and/or significant maintenance to reinstate service	25-36
4	Poor - significant defects, higher order cost intervention likely	11-24
5	Very poor - physically unsound and/or beyond rehabilitation, immediate action required	0-10
6	Unknown, not currently assessed or non-existent	NA

Property condition assessments have been calculated based upon the percentage of remaining useful life rather than identified through inspection. This differs from the approach utilised in other areas and is why a '% Remaining life range' is given in Table 5.1.5. Assets identified as unknown are those assets for which % life remaining was not provided as part of the valuation information.

Across Council's asset portfolios several issues have been identified with the condition assessment approach undertaken at present. These include:

- an inability to easily record the date on which the assessment was undertaken and consequently a lack of awareness of data currency,
- condition assessment data that has not been entered into the asset register but remains in excel databases, separate hardcopy or other electronic documents,
- inconsistencies in rating approach (including basing the rating on asset age rather than a physical assessment), and
- not having a clear condition assessment strategy

Addressing the above issues and filling gaps in the historical data are actions identified within the Asset Management Strategy improvement plan for all asset groups.

For Property assets, documenting a clear condition assessment strategy and process including priority, frequency, use of contractors versus cost, efficient processing of results and accurate renewal cost estimation using the cost estimating framework has been identified as a key improvement.

Initial works will focus on completion of condition assessments on all critical assets and implementation of a standard work programme for routine assessment of other assets.

The condition profile of Property overall assets is shown in Figure 5.1.5.1. The Property assets condition ratings show that maintenance and renewals are adequate to not affect levels of service, and to maintain buildings at an acceptable ,presentable level appropriate with their use.

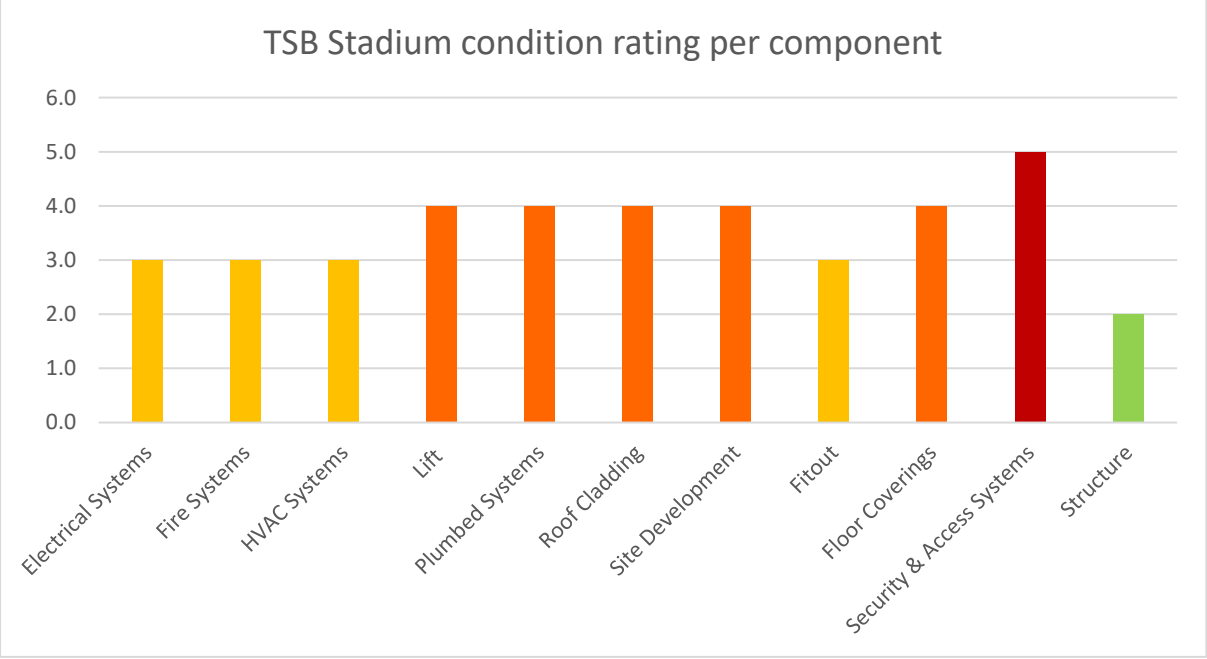
The Distribution profile shows that a high proportion of property assets are in the good category

Figure 5.1.5.1: Asset condition profile

Property assets have not yet been assigned a criticality rating within EAM. This has been identified as a future improvement in the improvement plan.

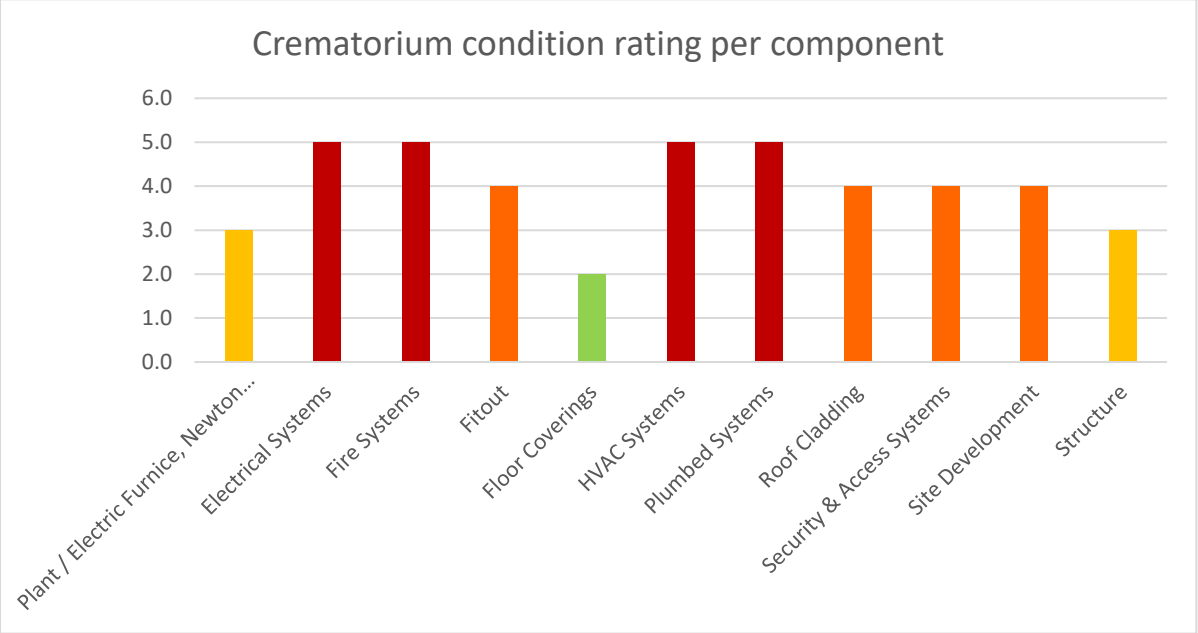
The graphs below provide an individual breakdown of the condition rating of components of two critical assets as identified in Section 6.1.

Figure 5.1.5.2: Asset condition profile – TSB Stadium



The overall condition of TSB Stadium is considered to be average, however approved capex work for 2023/2024 to improve seismic rating, upgrade toilet facilities and upgrade heating will lift the condition assessment to a 'good' level.

Figure 5.1.5.3: Asset condition profile - Crematorium



Works are planned in the 24-34 LTP to upgrade the main chapel and do other minor work. A new Cremator was installed in 2021/22, with a project to replace the other older Cremator input into the LTP.

5.2 Operations and Maintenance Plan

Operations activities are those regular activities required to provide the service. Examples of typical operational activities include monitoring inputs and outputs, cleaning, security, insurance, inspection and utility costs.

Maintenance activities are those actions necessary to keep the asset as near as practicable to an appropriate service condition including regular, ongoing day-to-day work necessary to keep assets operating. Examples include servicing of equipment, minor repairs, and pipe leak repairs.

The maintenance budget is considered to be sufficient to meet planned service levels. This budget includes an allocation for both preventive and reactive maintenance. Assessment and prioritisation of reactive maintenance is undertaken by operations team members using experience and best judgement. For shared assets such as buildings, maintenance is undertaken according to the specifications in the relevant Service Level Agreements (SLA's).

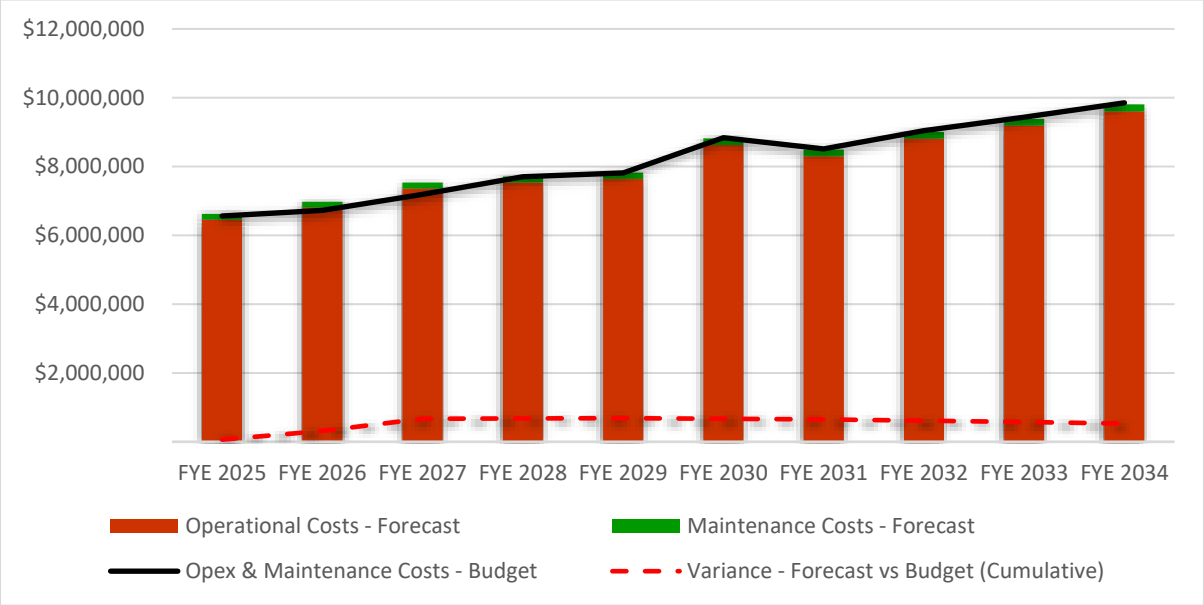
5.2.1 Summary of forecast operations and maintenance costs

Forecast operations and maintenance costs are expected to vary in relation to the total value of the asset portfolio.

As additional assets are acquired, the future operations and maintenance costs are forecasted to increase. Where assets are disposed of the forecast operations and maintenance costs are expected to decrease.

Figure 5.2.1 below shows the forecasted operations and maintenance costs relative to the proposed operations and maintenance budget.

Figure 5.2.1 Operations and Maintenance summary



All values in graph are adjusted for inflation

The above graph shows increased maintenance costs in future due to aging of the assets, timing of large re-paint jobs due,and inflation cost of contractors.

5.3 Renewal Plan

Renewal works are those activities that restore, rehabilitate, replace or renew existing assets back to the original or ‘as new’ standard. This work does not significantly alter the original service provided, any work that goes over and above renewal work is considered to be an acquisition (see Section 5.4).

Assets that require renewal are determined through:

- Asset condition assessments that return assessments of ‘poor’ or ‘very poor’,
- RUL information and values captured in the asset register,
- Staff judgement on the remaining life of the asset, based on asset condition, maintenance expense, or average renewal requirements for network assets (for example buried pipes or road renewals).

Renewals may be initiated for an asset prior to scheduled end-of-life dates if other works are planned to occur in the same area and efficiencies may be gained by undertaking future scheduled renewal works at the same time.

This approach has been implemented in the past and will be taken with future upgrades of part/whole floors and locations within the larger buildings such as the Civic Centre, TSB Showplace and the TSB Stadium.

5.3.1 Asset Age and Remaining Useful Life

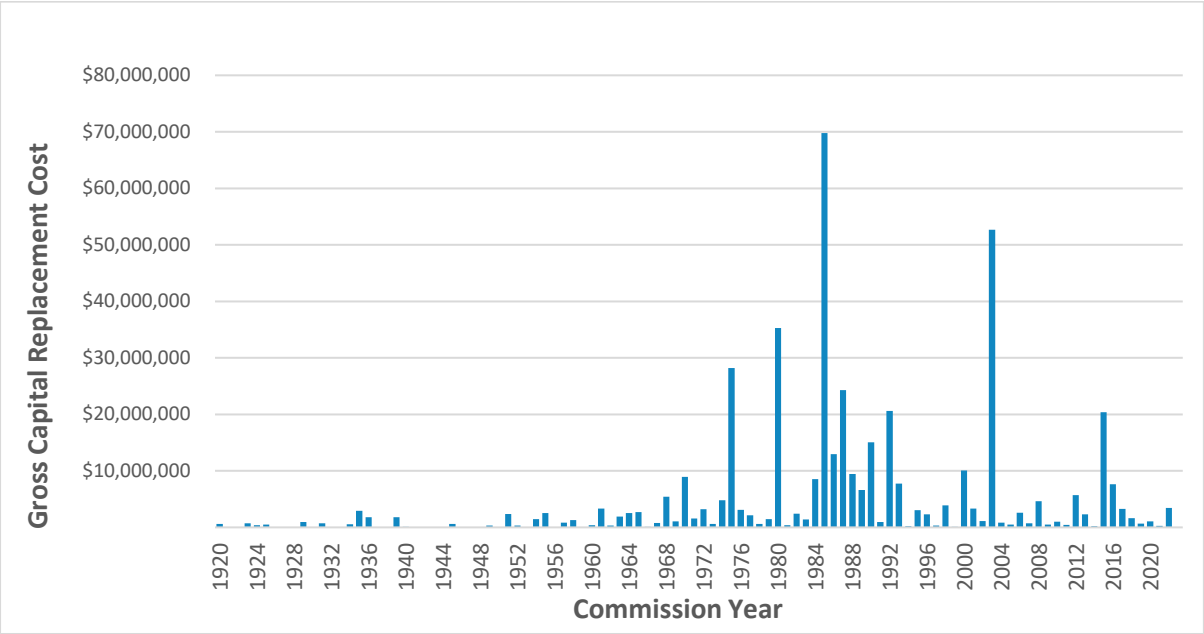
The total useful lives of the assets in this AMP are shown in table 5.3.1. Asset useful lives were last reviewed in June 2022 as part of Council's scheduled asset valuation process.

Table 5.3.1: Total useful lives of assets

Asset (Sub)Category	Total useful life
Roof Cladding	40
Electrical Systems	40
Fitout	30
Floor Coverings (Carpets, floor coverings, specific floor finishes e.g. non-slip	30
Heating, Ventilation and Air-conditioning Systems	30
Lifts & Escalators	40
Plumbed Systems	40
Security & Access Systems	20
Site Improvements (Sealed carparks, driveways, fencing, footpaths and landscaping)	20
Structure	80

The age profile of the assets included in this plan are shown in Figure 5.3.1.1.

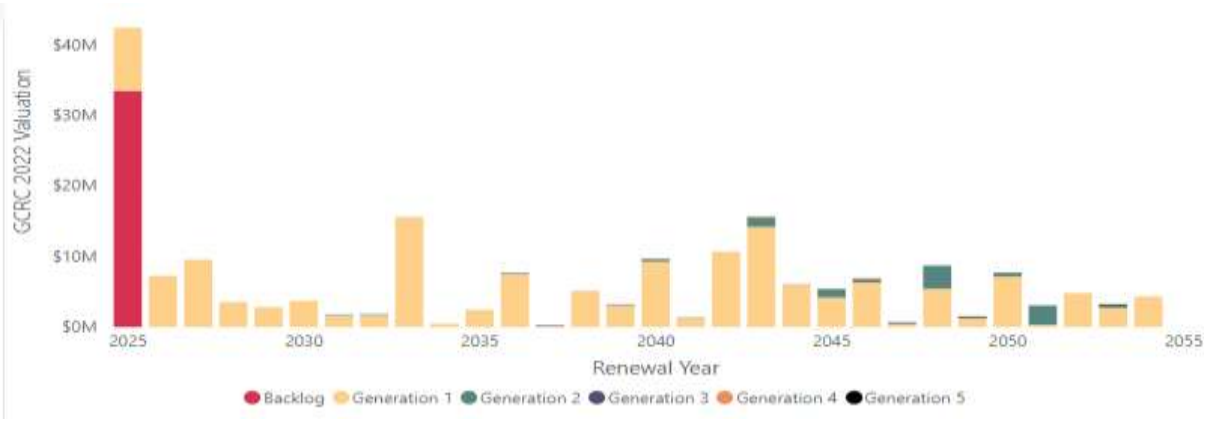
Figure 5.3.1.1: Asset age profile



Note: All figure values are shown in current day dollars.

Figure 5.3.1.2 provides a 30-year forecast of the future renewal requirements based on RUL. This information is often used to guide long-term planning (i.e. 10-30 years), but is less frequently used to guide short to medium-term planning (i.e. 1-10yrs), as Council's data does not consistently consider factors such as condition assessment within the recorded RUL figures. For this reason, the renewal forecast in this AMP is primarily based on condition assessment and staff judgement. Strengthening the overall quality of data within the asset management information systems is a planned future improvement.

Figure 5.3.1.2: Asset renewal forecast by remaining useful life (RUL)



Note: All figure values are shown in current day dollars.

Significant amounts of funding are forecast to be required for asset renewals in 2024 to 2027 of the LTP and these same assets will require similar large investment when they require renewing again in 2043.

5.3.2 Renewal ranking criteria

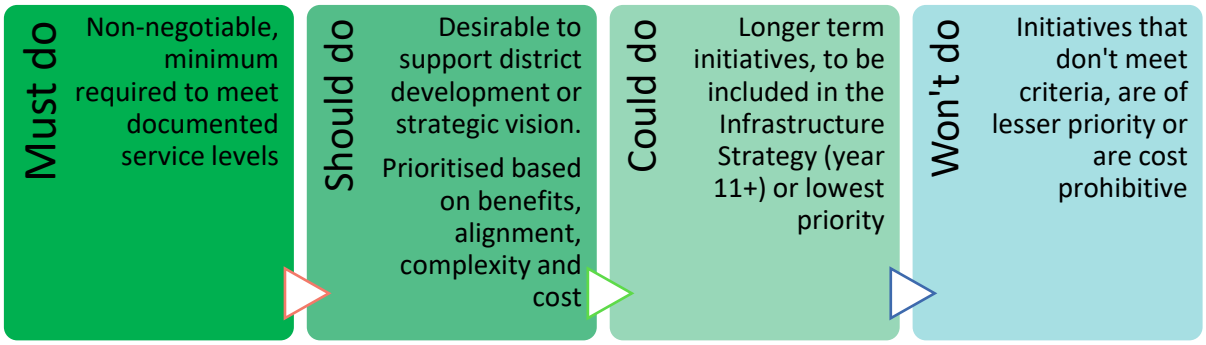
Asset renewal is typically undertaken to either:

- ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (e.g. replacing a roof to provide protection), or
- to ensure the infrastructure is of sufficient quality to meet the service requirements (e.g. condition of entrance carpet in a high profile public building)

It is possible to prioritise renewals by identifying assets or asset groups that:

- have a high consequence of failure
- have high use and subsequent impact on users would be significant
- have higher than expected operational or maintenance costs, or
- have potential to reduce lifecycle costs by replacing a modern equivalent asset that would provide the equivalent service at a reduced cost

Council prioritises renewals as part of the project prioritisation process, occurring as part of Council's legislatively required LTP process. The initial assessment stage of the project prioritisation process is most crucial for renewals, and divides projects into four categories;



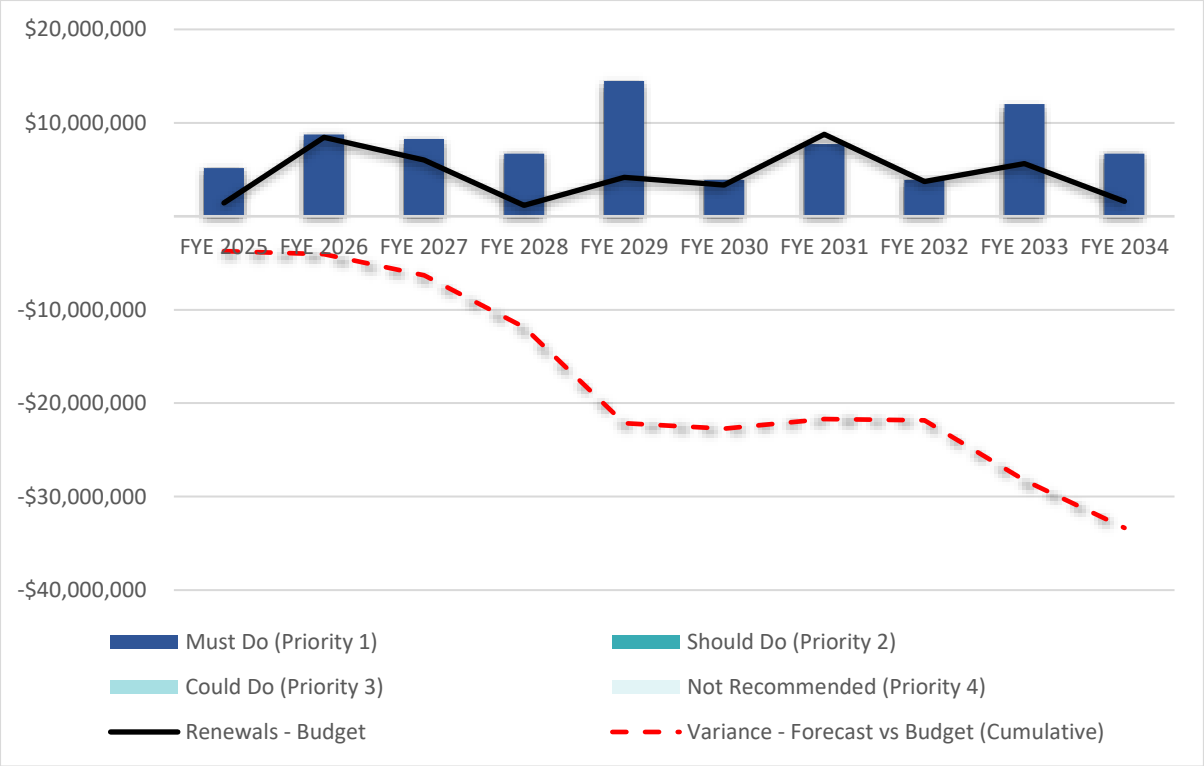
The 'Must do' category includes all critical renewals (including the mitigation of risks ranked medium and above) and the standard renewal budgets for small recurring renewals (these are primarily miscellaneous budgets of <$100K/year).

Non-critical asset renewals are captured in the 'Should do' category and undergo prioritisation as described in section 5.4.1. (Note: Critical assets are detailed in Section 6.1).

5.3.3 Summary of future renewal costs

Forecast renewal costs are projected to increase over time as buildings age, components wear out and inflation stays high. The forecast costs associated with renewals are shown relative to the proposed renewal budget in Figure 5.3.3.

Figure 5.3.3: Forecast renewal summary



All values in graph are adjusted for inflation

The Renewals summary graph indicates that over the 10-year plan:

- $44M of renewals have been approved
- A deficit of unmet renewal spend will result in a cumulative deficit of between $30-35M.
- Property assets due for renewal will continue to be maintained to an operational standard until priority and available budget meet. Improved condition assessment processes will enhance the accuracy of future forecasting.

Major renewals ahead include :

- Puke Ariki Library /Museum - $13.6M
- Civic Centre - $14.1M
- Venues -$10M

5.4 Acquisition Plan

Asset acquisitions include the following types of projects;

- projects that create assets that did not previously exist,
- works which will upgrade or improve an existing asset beyond its current capacity, and
- assets that may have been donated to Council.

The drivers for undertaking acquisition projects or acquiring new assets can be due to level of service changes, growth, or a combination of each. Renewal works may also be combined with acquisition projects where there is a desire to change service levels or respond to growth.

5.4.1 Selection criteria

Proposed acquisitions of new assets, and upgrading of existing assets, are identified from various sources such as community requests, proposals identified by strategic plans or partnerships with others.

Council has a documented project prioritisation framework that provides a transparent and structured approach to reviewing and prioritising projects for inclusion in our LTP. The same process and prioritisation criteria are used for both acquisition and renewal projects.

Proposed upgrade and new work analysis also include the development of a lifecycle costs estimate to ensure that the services are sustainable over the longer term. This is captured within the Detailed Business Case which is prepared for all except the simplest projects.

The priority ranking criteria and weighting is detailed in Table 5.4.1.

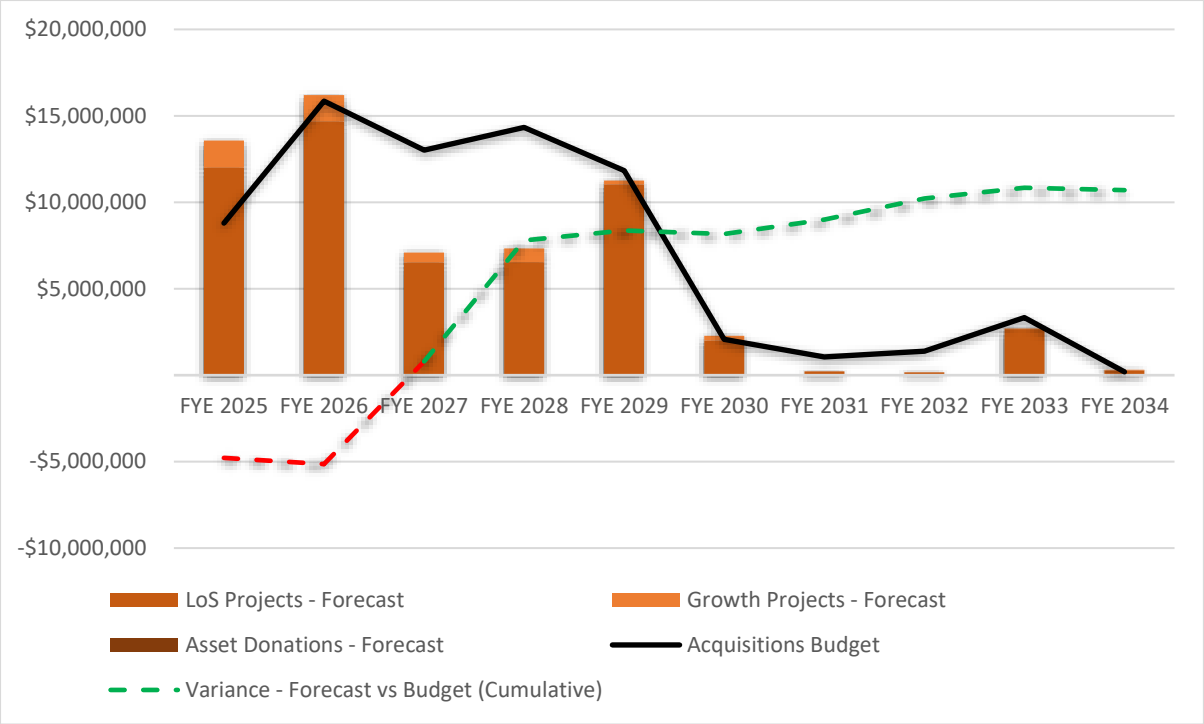
Table 5.4.1: Project prioritisation criteria & weighting

Criteria	Weighting
Strategic alignment	35%
Benefits	20%
Level of Service	15%
Risk Mitigation	15%
Ease of execution	15%
Total	**100%**

5.4.2 Summary of future acquisition costs

Forecast acquisition asset costs are summarised in Figure 5.4.1 and shown relative to the proposed acquisition budget. The forecast capital works program is shown in Appendix 2.

Figure 5.4.2.1: Acquisition Summary



All values in graph are adjusted for inflation

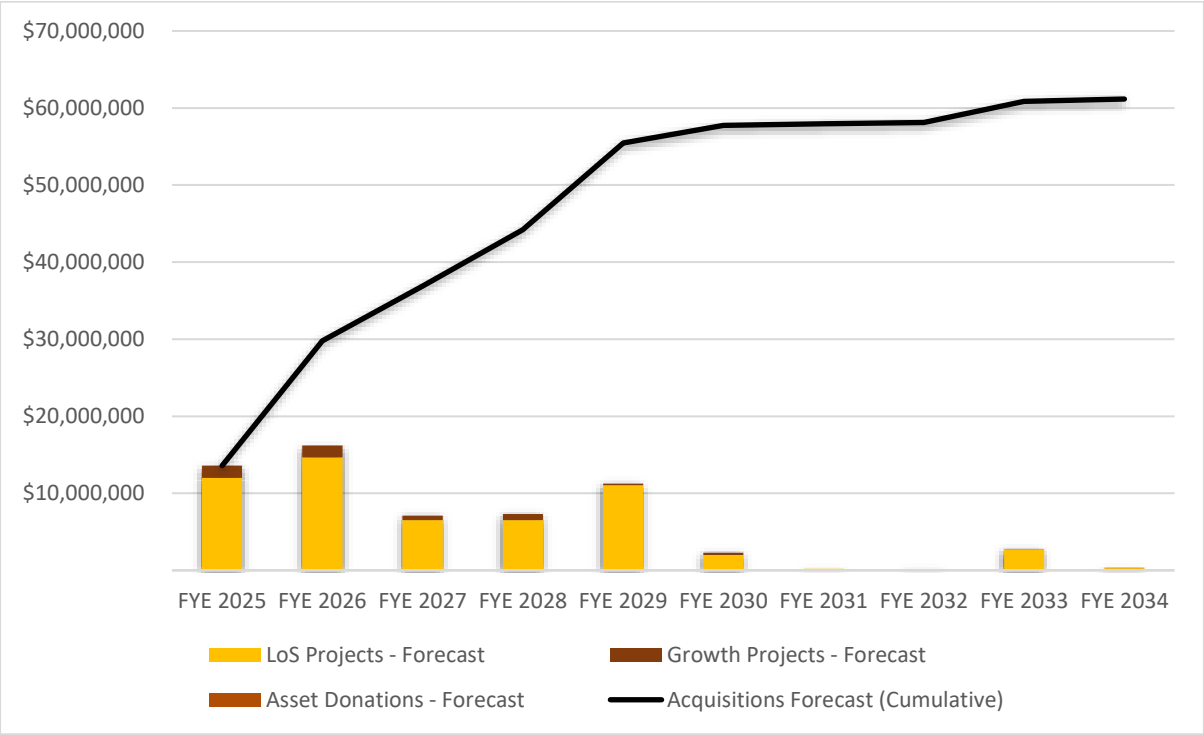
For all new assets there are corresponding future operations, maintenance and renewal costs that must be accounted for within the LTP. Future depreciation must also be considered when reviewing long-term sustainability. This is one activity within the LTP process that Council needs to improve upon, as clarity on the lifecycle costs of future acquisitions will ensure that these costs are factored appropriately into Council's lifecycle budgeting.

New buildings approved to be built over the ten year timeframe of this AMP include;

- Tuparakino Hub indoor stadium
- Thermal Dryer Facility (TDF) building
- New toilets at Okato Pool; Kawaroa Park; Inglewood Pool, Egmont Road carpark, and Lepperton village,
- New library for Bell Block,
- New HfE units at up to three council-owned sites (approximately 30)

The cumulative value of all acquisition work, including both constructed and contributed assets are shown in Figure 5.4.2.

Figure 5.4.2.2: Cumulative asset acquisition



Note: All values in graph are adjusted for inflation.

Expenditure on new assets and services in the property capital works programme has been accommodated in the LTP, on a prioritised basis against all capital works for Council.

5.5 Disposal Plan

Disposals includes any activities associated with the disposal of a decommissioned asset. This includes the sale, demolition, or the relocation of the asset.

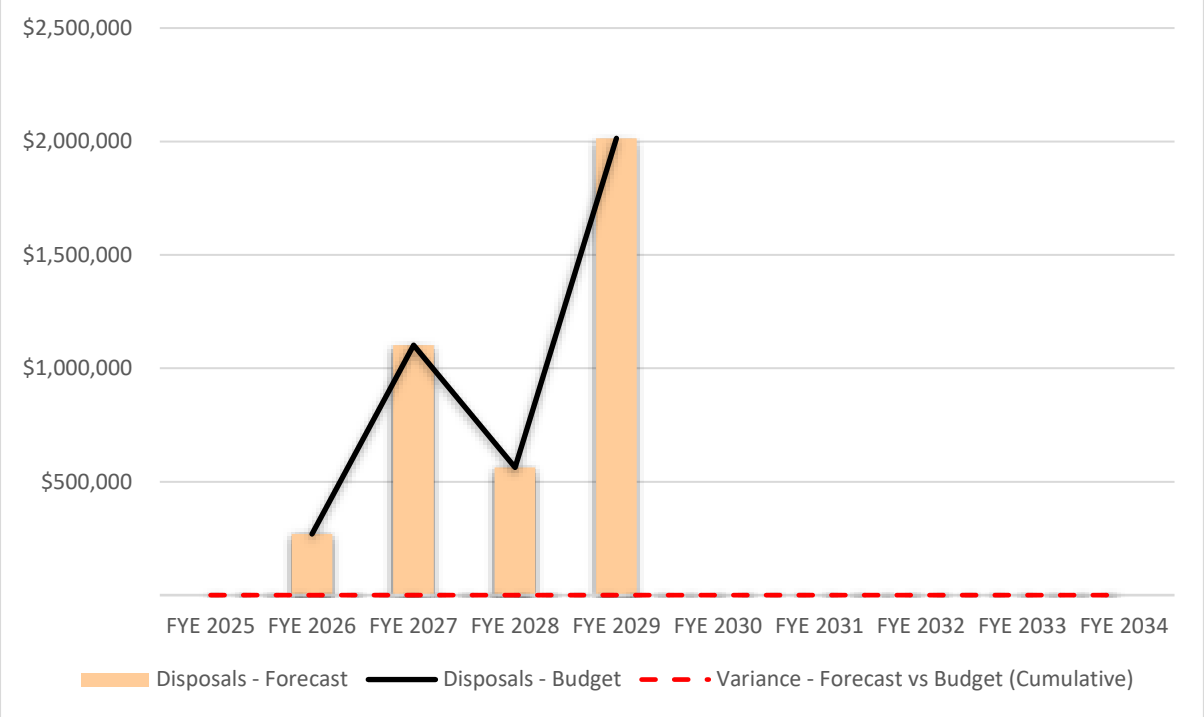
Assets identified for possible decommissioning and disposal are shown in Table 5.5.

A summary of the disposal costs and estimated reductions in annual operations and maintenance of disposing of the assets are also outlined in Table 5.5. Any costs or revenue gained from asset disposals is included in the long-term financial plan.

Table 5.5: Assets for Disposal

Asset	Reason for Disposal	Timing	Disposal Costs	Operations & Maintenance Annual Savings
Building Assets				
Metro Plaza Building	Purchased to demolish and create a CBD greenspace including opening up the Huatoki Stream which runs beneath the building	2025-2026	$3.95m (Yrs 3-6 LTP)	Rent from tenancies covers costs
Huatoki Domain/Pavilion	Surplus 1970s Building, that has received proposals over the years, that go no further	2027-29	$30,000	Less than $1000
Lynmouth Park/Pavilion	Clubrooms, surplus to council need, that awaits occupiers' ability to take on full management	2030	$5,000	Less than $1000
Mangorei Combined District Memorial Hall/Building	Hall is surplus to council need, that awaits hall committee ability to take on full management	2030	$5,000	Less than $1000
Waitoitoi Memorial Hall/Building	Hall is surplus to council need, that awaits hall committee ability to take on full management	2030	$5,000	Less than $1000
52 Airport Drive Dwelling	House came with land purchased for new road, and plan is to demolish.	2025	$20,000	Rent covers costs
P G Nops Scenic Reserve/Dwelling 1 at 1616 Mountain Road	Future removal under Reserves Management plan is required as advised by Parks Management	2027	$0	Rent from long-term tenants covers costs
P G Nops Scenic Reserve/Dwelling 2 at 1 Tawa Street	Future removal under Reserves Management plan is required as advised by Parks Management	2027	$0	Rent from long-term tenants covers costs
319 Waiau Road, Onaero	Potentially surplus, contingent on adjoining property acquiring consent for future WWT infrastructure to resolve Urenui & Onaero WWT issues around townships & campgrounds	2026	$100,000	Rent from lease covers costs
Land Assets				
Multiple land holdings including road reserve	Surplus (but awaiting land sales policy review	TBA	TBA	Minimal operations savings but sale receipts will reduce council debt

Figure 5.5.1: Disposals Summary



All values in graph are adjusted for inflation.

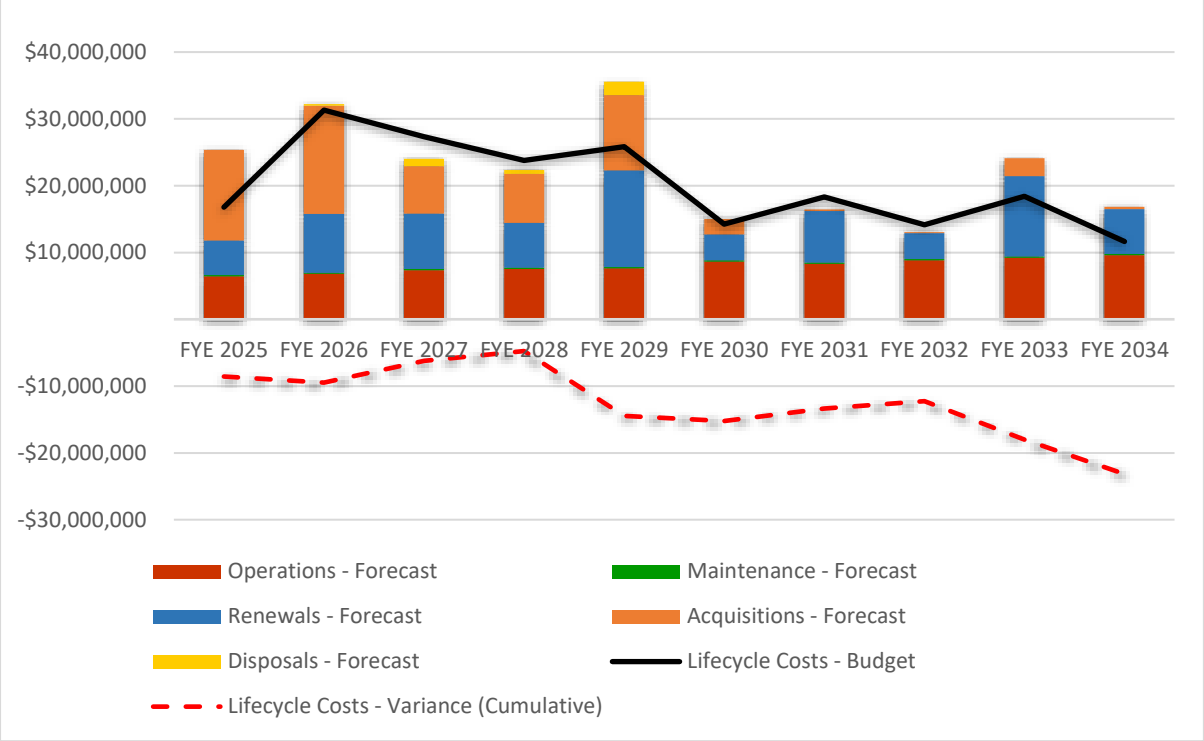
The disposal graph (Figure 5.5.1) above shows that there is sufficient funding for planned asset disposals during the timeframe of the AMP. For further context, there is only one planned asset disposal, the demolition of the MetroPlaza Building from Year3 – Year 6 of the AMP. The estimated cost for this asset disposal of ~$3.95M has been met through the LTP.

5.6 Summary of forecast costs

The financial projections from this AMP are shown in Figure 5.6.1. These projections include forecast costs for acquisition, operation, maintenance, renewal, and disposal. These forecast costs are shown relative to the proposed budget.

The bars in the graph represent the forecast costs needed to optimise the lifecycle management of these assets and ensure alignment with community needs/expectations. The proposed budget line indicates the estimate of available funding. The gap between the forecast work and the proposed budget is the basis of the discussion on achieving balance between costs, levels of service and risk to achieve the best value outcome.

Figure 5.6.1: Lifecycle Summary



All values in graph are adjusted for inflation

The lifecycle cost graph shows the following :

Operations and Maintenance - Budget & forecast figures equal to $82M or $8.2M average per year.
Renewals - Budget figure is $44M ($4M/yr average) versus $72M forecast ($7.2M/yr average), or a cumulative deficit of $28M over 10 years.
Acquisitions - Budget figure is $71.9M ($7.2M/yr average) versus $77.7M forecast ($7.8M/yr average) or a cumulative deficit of $5.8M.

Based upon a gross replacement cost of $437M for property assets, the benchmark metric ratios are as follows:

Opex	$8.2M per year / $437M =1.9% - Acceptable
Renewals	$4M per year / $437M = 0.9 % which is probably at the lower end of benchmarking

Risk Management Planning

The purpose of risk management planning is to identify and address the potential risks and opportunities associated with Council's infrastructure assets. This section defines those assets which are critical to operations and the potential results of failure; the significant (high or extreme) risks being managed including those risks outside of Council's appetite; and considers the resilience of these assets in the context of service delivery.

6.1 Critical Assets

Critical assets are defined as:

"Assets that are significant in providing essential services to our community, and which may also be important in emergency situations. These assets have high consequences of failure, and as such require a higher level of proactive maintenance and management."

NPDC does not currently have a specific methodology for the identification and grading of critical assets. Table 6.1 describes those assets which meet the above definition as determined by the Asset Owner, as well as the mode by which the asset could fail, and the likely impact of that failure. Developing and implementing a specific methodology for determining critical assets is identified as an improvement action in Section 8.

Table 6.1: Critical Assets

Critical Asset(s)	Failure Mode	Impact
Power Generators (back-up power)	Equipment degradation or failure, fire, flood, stolen or lost	Service cannot be delivered during general power outage.
TSB Stadium	Earthquake, volcanic or fire damages building and facilities	Contributes significantly as Emergency Operation Centre (EOC) towards any civil defence emergency. Backup building is Civic Centre
Water treatment plant	Earthquake, volcanic or fire damages building and facilities	Water processing plants are essential to sanitizing water, and when a plant is impacted by damage, drinking water will quickly become unavailable.
Wastewater treatment	Tsunami, earthquake, volcanic eruption or fire damages building and facilities	Wastewater system failure due to damage, not only endangers human health, but it can also pollute the environment, damage wastewater buildings/plant systems, but also cause water pollution and environmental issues

		due to the direct discharge of wastewater in rivers or seas.
Lifts	Trapped users, danger to workers, poor maintenance	unplanned need for capex, occupants' dissatisfaction due to lift unavailability
Roofs	Water ingress, high wind	water damage
Generators	Battery failure, poor maintenance	fails when need
Fire systems	Aging parts, poor maintenance, old batteries, and AM planning	higher than should be fire risk
HVAC systems including Chillers, Boilers, Cooling towers	Aging parts, poor maintenance, and AM planning, incorrect operating practices, negligence to maintenance, over-wear, and tear. Cooling towers with water and fans can release Legionnaires bacteria if not monitored and maintained properly, which can then spread through the heat-rejection fans.	Important archives and taonga damaged due to HVAC failure to control internal temperature, legionnaires disease risk to occupants
Structure	Aging parts, poor maintenance, and AM planning	In an earthquake, Structural damage that could risk life safety, damage building (and heritage elements) or adjoining buildings and infrastructure. Re-housing occupants while work is carried out.

By determining critical assets, operations, maintenance and renewal strategies can be refined, inspections and investigations can be prioritised, high risk information gaps can be identified, and confidence in programming of works is increased.

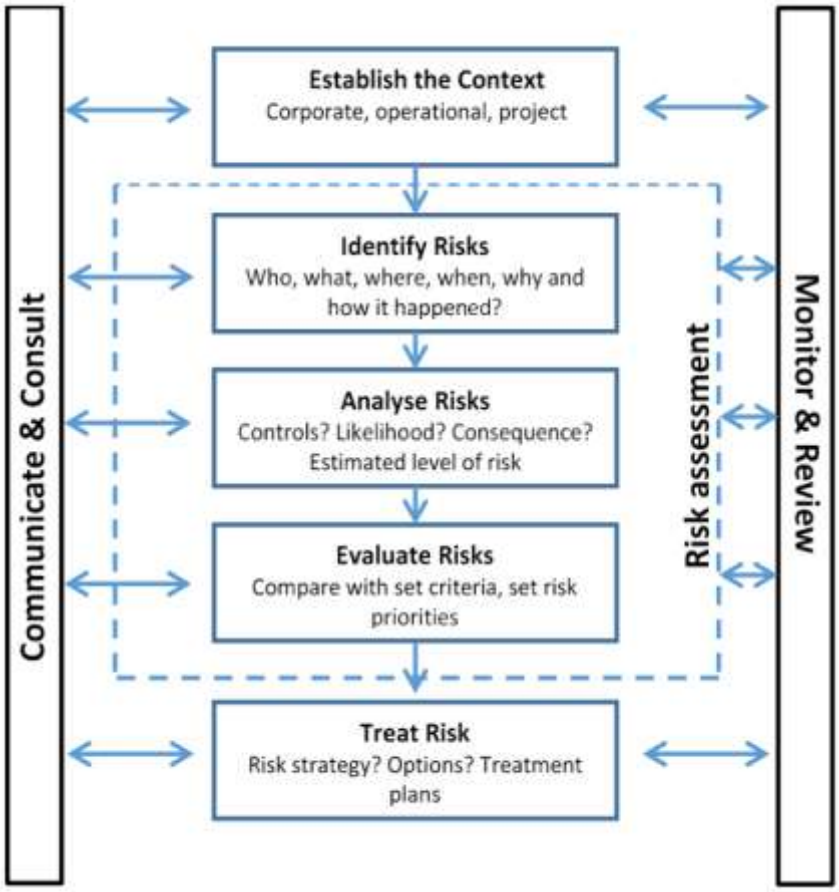
Critical assets will be prioritised when allocating maintenance and renewal funding, undertaking condition assessments and for improvement works.

6.2 Risk Assessment

Risk is an inherent element of all Council operations, and the management of these risks is a critical element of ensuring the organisation is able to deliver services and meet its obligations. For risk management to be effective, Council has developed and utilises its Corporate Risk Management Framework - Policy and Process (ECM#1479536). This internal document is based on the fundamentals of ISO 31000:2009 (Risk Management) and provides key information and advice for how risk assessments are conducted, recorded, managed, escalated and monitored.

The five key steps to Council's risk management procedure are establishing the context, risk identification, analysing risk, risk evaluation and risk treatment – as illustrated in Figure 6.2.

Figure 6.2: Risk Management Framework



A summary of the current key risks relevant to the Council's assets is included in the Risks and Improvements Section of the Asset Management Strategy. The list includes risks to the specific assets, risk to service delivery, and risk relating to the overarching asset management system.

6.2.1 High level risks

Identification of high and extreme risks ensures that Council can prepare for situations that may result in negative consequences such as the loss or reduction of a service, injury, financial damage, loss of reputation, damage to the environment and more.

Table 6.2.1 lists all high or extreme risks that are relevant to the management of Property assets. This may overlap with the generic risks identified in the strategy but will focus on the actions to be taken to address those risks. Prioritisation of the projects relating to these risks occurs in P3M (Council's Projects, Portfolio and Programme management software).

Table 6.2.1: Planned treatments and costs for identified high level risks

Risk Type	Description	Current risk rating	Proposed Risk treatment actions	Post treatment risk rating	Treatment costs	Relevant projects
Property and Assets	Missing or poor asset data prevents effective decision-making and compromises the effective management of assets. Lack of information could also result in misstatement of the current financial status to stakeholders.	High	*Componentise property assets *Review and 'clean-up' information in TechOne *Review and update existing processes Secondary – implement a single Asset and Lease management tool	Low	Initial cost $240k. Secondary project works $1.42M	Asset Information Refresh (AIR) Project (BT132) Asset & Lease Management Solution (BT208)
Financial	Council Property assets are inefficiently insured because of incorrect processes, data and analytics, resulting in financial loss through paying too much in premiums or from insufficient insurance coverage for assets undervalued.	High	Documented processes and procedures e.g. asset change forms, information management strategy to ensure up-to-date values, escalation protocol. An Insurance Framework has been put in place for future insurance decision-making. The Framework will be reviewed every three years (next review by April 2024).	Medium	Internal	Internal review with Property and the risk team to look at what assets we do not insure due to budget pressures, and ensure assets are insured at correct replacement cost
Health, Safety & Wellbeing	Exposure to harmful building materials and bacteria puts workers and residents at risk of serious harm, including those in residential tenancies.	Extreme	Code compliant buildings with regular maintenance and testing of HVAC systems & cooling towers (Legionnaires disease). Buildings with asbestos are noted in the Asset Management System for those with completed surveys. Ongoing staff training and knowledge sharing. Observation and awareness. Health and Safety audits.	Low	Asbestos audits, Healthy Home improvements have been carried out at cost of $650,000.	Standard 5-yearly review of Asbestos Management Plan (next due 2026)

Planning and Strategy	One of our major projects fails because of poor project management planning and control, resulting in financial damage.	High	The council has established strong project management processes and implemented software for better structure and oversight. The Long-Term Plan process includes peer review and project prioritization. Governance is overseen by the Strategic Projects Committee and Project Lead positions. Improved reporting is provided by the Portfolio and Programme Manager.	Medium	Internal staff costs	Full use will be made from 2024 onwards
Property & Assets	Council services are disrupted because of the failure of a key asset, resulting in a prolonged shutdown, with financial and future reputational damage as issue lingers on.	High	Strengthen earthquake prone buildings to ensure statutory compliance. Ensure insurance, emergency evacuation plan and business continuity plan are in place and have Civil Defence (TEMO) alert.	Low	$8m	LTP renewals, Downtown Carpark issue and fall out
People and Knowledge	Management of property assets is compromised because of reduced capacity and capability within the Council (e.g. of qualified property resources) resulting in missed opportunities to increase revenue from those properties.	High	Robust recruitment processes. Documented process and procedures, staff development and training to promote professional registration e.g. PINZ accreditation. Review of Property management and Facilities team structure to ensure that it provides adequate coverage.	Low	Cost to get new people up to speed	NA
Health, Safety & Wellbeing	People and our property are exposed to harm because of inadequate fire protection, resulting in the loss of property, and/or serious harm or death.	High	Building code compliant buildings with fire protection systems covered by Building Warrants of Fitness, addressed at the time of new build or renovation.	Medium	$4-5m	TSB Stadium has a fire protection issue that is under LTP bid
Health, Safety & Wellbeing	People are exposed to harm because of the potential poor performance of buildings assessed as earthquake prone or an earthquake risk, resulting in serious harm or death in the event of a damaging earthquake.	High	Strengthen earthquake prone buildings to ensure statutory compliance. Ensure insurance, emergency evacuation plan and business continuity plan are in place and have Civil Defence (TEMO) alert. Regular earthquake preparedness audits and agenda on monthly team meetings, e.g., tie down of furniture.	Medium	$15m plus	Main buildings include Downtown Carpark Civic centre, TSB Showplace, Puke Ariki airbridge and TSB Stadium.

Note: Current risk is the risk at the point in time this AMP is published, it is not reflective of the full untreated (inherent) risk. The post-treatment risk is the residual risk once the proposed treatments have been implemented.

6.2.2 Risks outside of Council's appetite

It is not always possible to remove all risks. For a treatment to be considered effective the residual risk must be within NPDC's risk appetite. NPDC's risk appetite varies depending on the Risk Category. Note: there are no risk types for which Council is tolerant.

- Averse means generally avoiding or eliminating a risk because of its potential impact on Council's service delivery (e.g. disruption to drinking water supply) and/or the health and safety of our staff or the public.
- Balanced means having a flexible approach depending on the nature of the risk, weighing the consequence of not achieving an objective if the risk is avoided or eliminated with the cost of implementing controls.
- Tolerant means being willing to take on significant risks to exploit opportunities associated with activities that support the achievement of Council's strategic goals, despite potentially major consequences if a risk is realised.

The following table defines those projects for which risk is not within Council's appetite, but a decision has been made to delay or not undertake remedial works.

Table 6.2.2: Justification and future treatment for risks outside of NPDC's appetite

Risk Type	Risk Appetite	Description	Current risk rating	Risk treatment actions	Justification for delay to remedy
Health, Safety & wellbeing	Averse	Users of our buildings (ratepayers, staff, tenants and visitors) are badly injured or lose life due to council negligence	High	Dangerous high risk and important facilities e.g. Water and waste facilities, Archival facilities are secured from the public and only specific staff have access. Security cameras, non-slip flooring in place, signs	HS&W is a high-priority at NPDC, but it is hard to cover low-probability, high-risk events (e.g.: earthquakes)
Project/Quality Management	Balanced	Delays in delivery of a project, resulting in service disruption or failure to realise a business objective	High	The Cost Estimation Framework will address inflation in project budgets and enhance contingency visibility at the program level, followed by implementation steps.	Framework was rolled out in September 2023; changes will take time to become embedded with impact only likely for future projects.

Financial	Averse	High inflation and escalating costs are putting pressure on Property's service and project delivery, risking adverse impacts on Council's reputation.	High	Property contracts manager has recently renewed a number of high-value maintenance contracts that will provide better cost efficiencies	Market forces and economic forces out of Property control.
Environment	Averse	Airborne asbestos because of an event	High	All NPDC buildings have been surveyed, and Asbestos management plans are in place to signal to staff & contractors to be mindful around asbestos.	High risk asbestos buildings or components of buildings have been removed in recent years (2018-2023), but it is not practical or cost effective to remove all asbestos from buildings
Financial	Averse	Projects cost blowout once construction starts with having to disclose this issue to ratepayers, councillors, and community	High	Use consultants, QS internal staff using QV cost builder matrix, and with inputs from contractors as part of the new cost estimation framework	Work on framework is underway but has been delayed due to a lack of resource so will take time to roll out across the council
Operations and service delivery	Averse	Ongoing maintenance issues and increasing costs of maintaining aged buildings	High	Maintenance contracts in place with contract manager who oversees contracts to ensure buildings assets are maintained at the level for the type, use and remaining life	Development of future benchmarking will assist with measuring our performance
People and knowledge	Averse	People and knowledge loss leads to low productivity (morale), strategic misalignment of the workforce (capability gaps), resource cuts (stakeholders unhappy with performance), decreased work quantity and quality (inexperienced employees), loss of capital invested in training.	Medium	Continual staff training and documentation of end-to-end processes so that key skills, tacit knowledge and experience is constantly recycled	Staff time and costs vs budget
Planning and Strategy	Balanced	Insufficient planning and engagement with iwi lead to long project delay or complete abandonment.	Medium	Recent establishment of infrastructure engagement team to work with iwi on projects and discharge our responsibilities under Te tiriti.	No resource yet for property due to cost. Vivian Street lease example

6.3 Resilience

The New Zealand Infrastructure Strategy/Rautaki Hanganga o Aotearoa describes resilience as "*the ability to anticipate and resist the effects of a disruptive event, minimise adverse impacts, respond effectively post-event, maintain or recover functionality, and adapt in a way that allows for learning and thriving*."

Resilience differs from risk management as it is focused on management of events that are either unpredictable or have a very low likelihood of occurring, but which have high consequences. In addition, these events are typically complex with multiple interdependencies and therefore have added complexity. This includes events such as natural disasters, economic crises, significant infrastructure failure, cyber-attacks, global conflict, terrorism and climate change.

Improving the resilience of our assets and adapting to climate change are key drivers for Infrastructure management at NPDC. Table 6.3 describes how Council ensures resilience and reliable delivery of our Property assets.

Table 6.3: Resilience of Property assets

Event	Key points of failure	Redundancies	Interdependencies	Actions	Related Projects
Natural Disasters (e.g. earthquake, adverse weather event, volcanic eruption, tsunami, etc)	Structural failure of buildings	• Water and Wastewater treatment plants can be operated remotely provided internet remains available • Two CDEM sites available (TEMO & TSB Stadium) • Emergency Management Plans • Council buildings: Work remotely from home	• Wastewater operations • Water treatment operations • Civil defence centres	External consultants have categorised NPDC asset list down to 178 buildings based on operational significance, nature of public access, asset value and potential seismic vulnerability. Existing seismic assessments have been reviewed with new assessments undertaken and advice provided where necessary. Completion will include visual engineering appraisals to lower importance buildings.	Approved major projects include: • Civic Centre and TSB Stadium EQ strengthening FY 23-24 **Not approved EQ strengthening projects include:** • TSB Showplace EQ strengthening work. • Puke Ariki Airbridge, NPWTP & NPWWTP EQ Strengthening and welfare modifications.
Global Financial Crisis	Council interest rate on debt increases, PIF return decreases has an impact on council spending, inflation affects inflight projects to our buildings	Annual plan adjustments to budgets. Resources are set at a level that can handle a downturn	All Council operations and the services they provide	Capital work programmes would be pushed out, re-scoped or not continued, level of service could be reduced, maintenance costs would likely rise to sweat assets	P3M prioritisation of capital projects, increasing council income, sale of surplus assets (land)
Pandemic	Closure of council main buildings, staff made to work from home except for essential workers, tenants ask for rent reductions	TSB Stadium is the Emergency Operations Centre (EOC)	All Council operations and the services they provide building occupiers, tenants and operations staff	Updating business continuity plan	Review and training of staff and having the right processes in place to contend with another Pandemic.

6.4 Service and Risk Trade-offs

The decisions made during the preparation of the LTP are initially guided by the first draft of this AMP and are later reflected in the final iteration. The goal is to ensure that the optimum benefits are received from the available resources, then capture where Council will be unable to achieve all the intended outcomes.

6.4.1 What we cannot do

The following is a list of the operations/maintenance activities and capital projects that Council is unable to complete within the next ten years;

- Major upgrades to various accommodation areas at the Civic Centre
- Long-signalled major upgrades to the Todd Energy Aquatic Centre

6.4.2 Service Trade-offs

Work unable to be completed will result in a service consequence to users. This trade-off is necessary to retain a reasonable balance between expenditure and service. The service consequences resulting from the work that cannot be done include:

- Not meeting demand in Bell Block and Waitara
- Not meeting demand and aquatic needs of the district

6.4.3 Risk Trade-offs

Work unable to be completed may also create risk consequences. These risk consequences include:

- Risk of not attracting people to live in New Plymouth and the subsequent impacts to regional growth and development that follow
- Risk of losing staff or not attracting staff to work at the Civic Centre
- Risk of losing large sporting events and the resultant economic activity that comes as a result
- Risk of carrying large sunk costs which may need to be re-commenced from a zero base Risk of future inflation to building costs

Financial Summary

This section seeks to describe the financial requirements resulting from the information presented in the previous sections of this AMP. Financial projections will be improved as the discussion on desired levels of service and asset performance matures.

7.1 Financial Strategy

Council's financial strategy and accounting policies are documented in the Financial Information section of the LTP. This financial strategy determines how funding will be provided, whereas the AMP communicates how and when this will be spent, along with the service and risk consequences of various service alternatives.

7.2 Financial Sustainability & Projections

7.2.1 Sustainability of service delivery

There are two key indicators of sustainable service delivery that are considered in this AMP, they include:

- The asset renewal funding ratio (ARFR), and
- The current asset funding indicator (CAFI)

Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio (ARFR) is a rough indicator that provides context for Council's planned renewals by calculating the approved budgeted renewal costs versus forecasted costs based on RUL.

$$\text{ARFR (\%)} = \frac{\text{Proposed renewal budget for 10-year period}}{\text{Forecast renewal costs for 10-year period}} \times 100$$

The calculation is shown in Table 7.2.1.1.

Table 7.2.1.1: Renewal forecast

Indicator	Value
Ten-year renewal budget	$44,326,610
Ten-year renewal forecast	$77,670,462
Asset Renewal Funding Ratio	57.1%

This information illustrates that over the next ten years, Council expects to expend 57.1% of the funds required for the optimal renewal of assets.

Current Asset Funding Indicator

The Current Asset Funding Indicator (CAFI) identifies the capacity of the organisation to fund the ongoing operations, maintenance and renewal of the existing asset portfolio in a sustainable manner.

$$\text{CAFI (\%)} = \frac{\text{Proposed operation, maintenance \& renewal budget for 10-yr period}}{\text{Forecast operation, maintenance, and renewal costs for 10-yr period}} \times 100$$

This calculation is shown in Table 7.2.1.2.

Table 7.2.1.2: Existing asset funding sustainability

Indicator	Value
Ten-year proposed budget for existing assets	$125,988,764
Ten-year forecast costs for existing assets (operations, maintenance & renewals)	$159,862,601
Average annual funding gap	-$3,387,384
Current Asset Funding Indicator	78.8%

The CAFI shows that over the 10-year term of this plan there is a deficit, having only 78.8% of the forecasted costs needed to provide the services documented in this AMP (Note: these calculations exclude acquired assets).

7.2.2 Forecast costs for the Long-Term Plan

Table 7.2.2 shows the expenditure forecast summary (outlays) required for consideration in the LTP.

Providing services in a financially sustainable manner requires a balance between the forecast outlays required to deliver the agreed service levels and the planned affordable budget allocations in the LTP.

A financial gap' between the forecast outlays and the amounts allocated in the financial plan indicates further work is required on reviewing service levels in the AMP (including possibly revising the LTP).

We will manage this financial gap by developing this AMP to provide guidance on future service levels, and resources required to provide these services in consultation with the community.

Forecast costs are shown in 24/25FY dollar values.

Table 7.2.2: Expenditure forecast summary

Activity	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	LTP Total
Operations	$6.45M	$6.81M	$7.36M	$7.53M	$7.64M	$8.63M	$8.30M	$8.81M	$9.19M	$9.60M	**$80.32M**
Maintenance	$0.17M	$0.17M	$0.18M	$0.18M	$0.18M	$0.19M	$0.19M	$0.20M	$0.20M	$0.20M	**$1.87M**
Total Opex	**$6.62M**	**$6.98M**	**$7.54M**	**$7.71M**	**$7.82M**	**$8.82M**	**$8.49M**	**$9.01M**	**$9.39M**	**$9.81M**	**$82.19M**
Level of Service	$11.99M	$14.67M	$6.51M	$6.53M	$11.04M	$2.01M	$0.22M	$0.17M	$2.67M	$0.28M	**$56.09M**
Growth	$1.59M	$1.54M	$0.58M	$0.80M	$0.22M	$0.26M			$0.04M	$0.04M	**$5.08M**
Renewals	$5.17M	$8.77M	$8.29M	$6.71M	$14.47M	$3.91M	$7.73M	$3.89M	$12.03M	$6.70M	**$77.67M**
Total Capex	**$18.75M**	**$24.99M**	**$15.38M**	**$14.04M**	**$25.74M**	**$6.18M**	**$7.95M**	**$4.06M**	**$14.73M**	**$7.02M**	**$138.84M**

The methods currently used to by NPDC to prepare financial forecasts do not provide a straight-forward breakdown into the Asset Management lifecycle stages of acquisition, operation, maintenance, renewal or disposal. Table 7.2.2 can be aligned with the lifecycle stages by reading as follows:

- asset acquisitions are indicated by the combined totals of Level of Service and Growth activities (above 'Total Capex'),
- asset renewals are captured under the Renewals activity heading,
- operations and maintenance costs are collectively provided as 'Total Opex' with no individual breakdown currently available.

An improvement action has been identified to improve forecast definition in the AMP including providing separate operations, preventative and reactive maintenance forecasts.

7.3 Valuation Forecasts

7.3.1Asset valuations

The best available estimate of the value of assets included in this AMP is shown below. Council's asset valuation methodology is described in the Statement of Accounting Policies included in the Financial Information section of the 2024-2034 LTP.

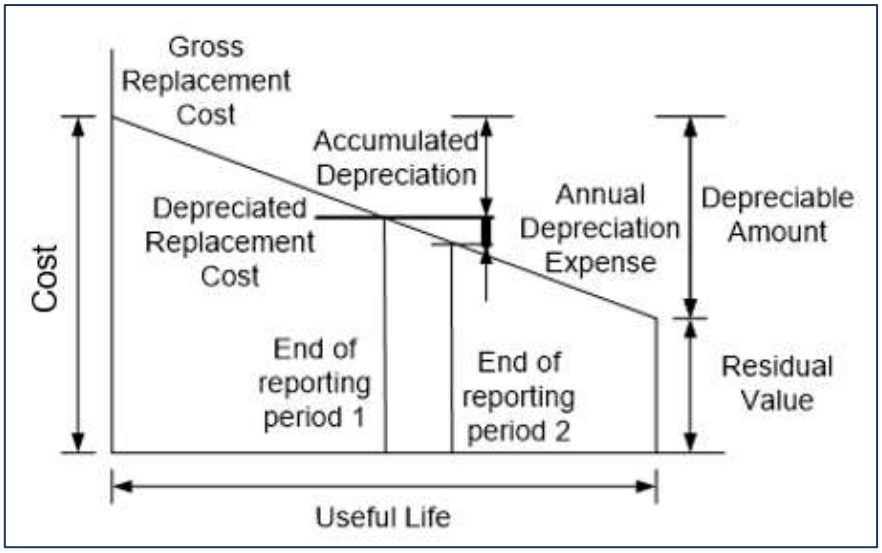
Table 7.3.1 Property Asset valuations as at 30 June 2022

Measure	Valuation
Gross Current Replacement Cost – Buildings	$436,643,500
Depreciated Replacement Cost - Buildings[1]	$193,320,115
Annual Depreciation – Buildings	$6,727,713
Land Valuation (excluding land under roads)	$ 335,231,776

Note the buildings depreciation amount is a valuer-assessed metric and is not necessarily the amount charged to the depreciation account.

Figure 7.3.1 provides a graphical comparison of the values given above.

Figure 7.3.1: Understanding valuation and depreciation values



7.3.2 Valuation Forecast

Total asset portfolio value is forecast to increase slightly over the timeframe of this AMP as:

- Existing assets are renewed with resultant increase in fair value and remaining useful life
- New proposed buildings and major upgrades including seismic work are completed
- Inflation and the cost of construction to replace assets increases at a higher rate than depreciation, increasing assets values

[1] Also reported as Written Down Value, Carrying or Net Book Value.

Disposal of buildings shown on council books will have a slight negative impact on overall portfolio value.

Additional assets will generally result in increased costs due to:

- operations and maintenance needs
- future renewal costs
- future depreciation forecasts

7.4 Key Assumptions

In compiling this AMP, it was necessary to make some assumptions. This section details the key assumptions made and should provide readers with an understanding of the level of confidence in the data behind the financial forecasts.

Key assumptions made in this AM Plan section are:

- Certified Asset valuations were carried out as at 30 June 2023, and were approved by Audit NZ in that they reflect an accurate assessment of the gross replacement cost and resultant fair value.
- Costs relating to lifecycle forecasts (Operations and maintenance) are based on historical costs and future forecasts with regard to for example, inflation that is assumed to be correct/ accurate.
- All costs for future work programmes, project works and future asset acquisitions are based on at the time, cost assessments by Council staff, utilising external consultants (Architects, Engineers, Surveyors planners, Legal advisors and others), maintenance contractors and specialist suppliers, in-house staff including quantity surveyors and available cost estimation tools.

7.5 Forecast Reliability & Confidence

The forecast costs, proposed budgets, and valuation projections in this AMP are based on the best available data. For effective asset and financial management it is critical that the information is current and accurate. Data confidence is classified on an A – E level scale in accordance with Table 7.5.1.

Table 7.5.1: Data Confidence Grading System

Confidence Grade	Description
A. Very High	Data based on sound records, procedures, investigations, and analysis, documented properly and agreed as the best method of assessment. Dataset is complete and estimated to be accurate (i.e. accuracy level ±2%)
B. High	Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate (i.e. accuracy level ±10%)
C. Medium	Data based on sound records, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated (i.e. accuracy level ±25%)
D. Low	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. (i.e. accuracy level ±40%)
E. Very Low	None or very little data held.

The estimated confidence level for and reliability of data used in this AMP is shown in Table 7.5.2.

Table 7.5.2: Data Confidence Assessment for Data used in AMP

Data	Confidence Assessment	Comment
Demand drivers	C. Medium	Uncertainty in forecasts arises due to the potential for change within national and global economies and politics and the occurrence of natural events and disasters which all impact long-term forecast reliability.
Growth projections	B. High	There is generally high confidence in expected changes in population and demographics in the area however lower confidence in likely immigration and tourism forecasts are noted due to international instability.
Acquisition forecast	C. Medium	Costs estimates for future new builds have been based on a range of cost assessments from Architects, engineers, specialist suppliers/contractors and in-house quantity surveyors.
Operation forecast	C. Medium	Future Operations spend is based on historical spend, current operations contracts in place, and inflation expectations
Maintenance forecast	C. Medium	Future maintenance spend is based on historical spend, current maintenance contracts in place, and inflation expectations
Renewal forecast - Asset values	C. Medium	Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate (i.e. accuracy level ±10%).
Asset useful lives	C. Medium	Asset useful lives have been determined by Valuers, engineers, Architects, suppliers, and contractors.
Asset remaining useful lives	C. Medium	Asset remaining useful lives have been determined by Valuers, engineers, Architects, suppliers, contractors, occupiers and facilities maintenance officers.

Condition modelling	B-High	Condition data and subsequent modelling has been based at a point in time -30 June 2022, when the last certified valuation of Building, component and site development assets were completed. CBRE Valuers supplemented their own inspections with taking account of the last 3 years of capex and major maintenance spend (re-paints), and various internal/external condition assessments that were available.
Disposal forecast	C. Medium	The disposal of surplus buildings and land has been ongoing for the past 15 years with robust processes in place to ensure council meets all its responsibilities.

The overall estimated confidence level for reliability of data used in this AM Plan is C – Medium.

Improvement & Monitoring

This section provides information about improvement and monitoring of the asset management system and processes at Council.

8.1 Asset Management Maturity

NPDC undertook an asset management maturity assessment across the entire Council asset management system in March 2021. An overview of this review is provided in the 2022 Asset Management Strategy (ECM# 7819335). Council is working toward a maturity rating of 3 (Competent) and currently have an average rating of 2 (Developing). Current focus areas for increasing Council's asset management maturity include:

- Increasing process documentation: to provide consistency and minimise knowledge loss during change,
- Implementing management reviews: to enhance overall visibility of activities and more closely track performance,
- Introducing spot checks to ensure documented processes are aligned to reality.

8.2 Improvement Plan

The following table lists the areas of this AMP that can be improved upon through the development and implementation of improved processes or methodologies, behaviours and tools. Implementation of these actions will enhance operational efficiency and effectiveness and improve overall asset management maturity.

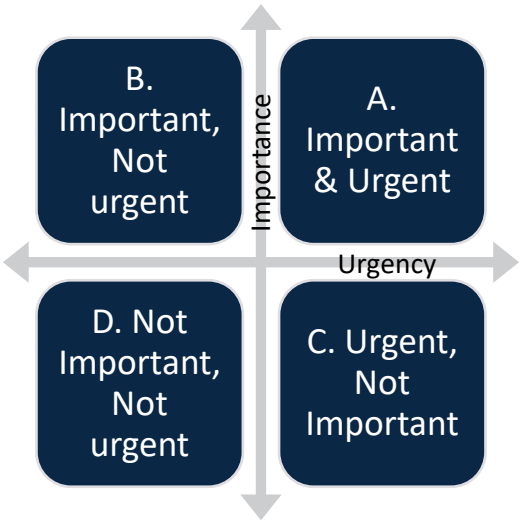
Table 8.2.1: Improvement Plan

Activity	Task	Priority	Accountable	Responsible	Resources Required	Due date
Data collection	Set firm timeframes for the handover and audit /sign off of property asset data from project managers, and contractors and embed in process to facilitate less WIP. (Ref: Section ##)	B	Property Manager	Property team (capture or audit) Asset team (provide AMS)	BAU collaboration between Asset Data, Projects and Operations teams,	Oct 2025
Data Capture and meaningful processing of it	Improve the consistency and timely capture, analysis, and processing of property data by all-FMOS, maintenance contractors.	B	Property Manager	Property team	Staff time	June 2025
Critical assets	Follow and confirm recognised method of defining critical assets as is	B	Property Manager	Property team	Staff time	Jun 2025

	applicable to Property e.g. NZ Asset Management Support example.					
End to end process-Planning /Delivery /handover /operations /maintenance /renewals and disposal	Development and implementation of a process for lifecycle costing. (Ref: Section 4.4)	B	Property Manager	Property team	Staff time	June 2025
Data Capture and meaningful processing of it	Improve the consistency and timely capture, analysis, and processing of property data by all-FMOS, maintenance contractors, to facilitate efficient and timely capitalisation, insurance, valuation process	B	Property Manager	Property team	Staff time	June 2025
Property Asset Hierarchy	Install agreed new property asset hierarchy (2021) as part of future move to new asset management system	B	Property Manager	Property team	Staff time	June 2025
Maintenance Strategy	Document a property maintenance strategy that summarises current multiple maintenance contracts and KPIS	B	Property Manager	Property team	Staff time	June 2025
Condition assessment strategy (CAS) and associated processes	Document and implement CAS to pull together current ad-hoc process and improve for example, LTP planning years 10-30	B	Property Manager	Property team	Staff time	June 2025
Data Quality	Improve the quality of property data, firstly by processing and centralising all current data held in various documents, excel, and reports, into one source of truth.	B	Property Manager	Property team	Staff time	June 2025
Level of service monitoring	Determine if new LOS measures can be practically installed or not	B	Property Manager	Property team	Staff time	Ongoing
Environmental Sustainability engagement and inclusion	Ensure that Environmental Sustainability Policy settings are incorporated into all actions and commitments indicated within LTP and AMP	B	Property Manager	Property Team (supported by Sustainability and Behaviour Change Team)	Staff Time	Ongoing / BAU

Note: Action priority is set using the Eisenhower Matrix as a model, with the highest priority works graded as A and lowest priority works graded as D.

Figure 8.2.1: Eisenhower Matrix



8.3 Monitoring & Review Procedures

This AMP will be reviewed and updated annually as part of wider Council annual planning process. These annual reviews will ensure the AMP continues to accurately communicate the current service levels, asset values, forecast costs and planned budgets.

Every three years the AMP will be completely revised to reflect the adjustments to the organisational strategic direction that result from the triennial election of Council's elected members. The AMP review is also aligned to the LTP process for which the AMP is essential supporting information and, as such, these AMPs will be made available for the LTP audit in their draft form. The draft AMP will capture the best-case scenario for management of the assets aligned to anticipated budgets. The final version will reflect the decisions made by elected members including where service levels are expected to be impacted by the availability of funds.

8.4 Performance Measures

The effectiveness of Council's AMPs is monitored through regular internal spot-checks conducted multiple times throughout the year by this asset group's senior management team. The internal spot-checks will assess the extent to which the actions defined within the plan have been implemented, act as a feedback mechanism for senior management, and consider the following;

- Accuracy of forecast costs and alignment to the LTP
- Alignment to the Asset Management Strategy and other key strategic documents
- Completion rate of forecast works including renewals, acquisitions, essential maintenance, condition assessments and improvement or risk management activities, balanced against resources
- Inclusion of key risk and improvement actions within the relevant Council systems and the completion of corrective actions in a timely manner, balanced against cost
- Completeness of information, or any source constrictions
- Other relevant topics identified at the time of the check.

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- NPDC (2023) *Cost estimating and control framework* (ECM# 8923299)
- NPDC (2023-2023) Asset value information, data export from TechOne EAM

Glossary

Term/ Phrase/ Acronym	Definition
Acquisition	Those activities involved in the creation/ purchase/ donation or otherwise gain of new or upgraded assets.
AMIS	Asset Management Information System
AMP	Asset Management Plan
AS/NZS	Australian/ New Zealand Standards
Asset	An item, thing or entity that has potential or actual value to NPDC (such as plant, machinery, buildings, roads, etc)
Asset lifecycle	Describes the activities/ actions relating to an asset from initial planning and acquisition, through operation and maintenance of the asset, then disposal at 'end-of-life.' Many assets are not disposed of but are renewed and their condition and performance reset to 'as new.'
Asset Owner	The person at Council who is accountable for Managing the specific asset group. This is generally the Functional Manager of the relevant area (e.g. Manager Transport)
Asset register	The record of asset information including asset attribute data such as quantity, type, construction cost and value.
AM Strategy	Internal strategy to provide direction regarding how to manage Infrastructure and Property assets.
CBD	Central Business District
CCO	Council Controlled Organisation
CDEM	Civil Defence and Emergency Management
Council	Refers to New Plymouth District Council specifically
Customer	Customer in this document is used to describe anyone who uses the products or services provided by Council assets or who has a vested interest in those assets. This includes ratepayers, local community groups and businesses, local iwi and hapū, regulators or statutory bodies and visitors to the region.
Current day dollars	The dollar amount required to undertake a task/activity if it was to be completed today. Potential future inflation is not included in these figures.
Demand	A driver or pressure that has the potential to change the requirements/ expectations of Council's assets.
Disposal	Any activities associated with the disposal of a decommissioned asset. This includes the sale, demolition, or the relocation of the asset.
EAM	TechOne Enterprise Asset Management – Council's asset register software. Manages financial information, customer information and requests, asset registers and history, work order management and maintenance scheduling.
ECM	Enterprise Content Management - manages documentation and records.
ELT	Executive Leadership Team
GCRC	Gross Capital Replacement Cost

Term/ Phrase/ Acronym	Definition
GIS	Geographic Information System
IIMM	International Infrastructure Management Manual
Infrastructure Strategy	A document that must be prepared as part of the LTP (required by the Local Government Act). This document identifies significant infrastructure issues and potential options for their management for a 30year period.
IPWEA	Institute of Public Works Engineering Australasia
ISO 55001	International Standard for Asset Management – Management System requirements.
LGA	Local Government Act 2002
LoS	Level of Service - a statement by Council that clearly identifies what it intends to deliver in terms of providing local infrastructure, public services and regulatory functions
LTP	Long-Term Plan
Maintenance	Those actions necessary to keep the asset as near as practicable to an appropriate service condition including regular, ongoing day-to-day work necessary to keep assets operating.
MfE	Ministry for the Environment
NPDC	New Plymouth District Council
NZD	New Zealand Dollar
Operations	Those regular activities required to provide a service. Examples of typical operational activities / costs that would be charged here include monitoring inputs and outputs, cleaning, security, insurance, inspection and utility costs.
Performance measure	The means by which Council measures achievement of its level of service statements.
Pinnacle	NPDC's health, safety, risk, environment and quality (HSREQ) management software.
Ratepayer	Residents, property owners and businesses who pay rates to NPDC.
Renewals	Those activities that restore, rehabilitate, replace or renew existing assets back to the original or 'as new' standard.
Replacement	The complete replacement of an asset that has reached the end of its life, so as to provide a similar, or agreed alternative level of service.
Research First	The organisation responsible for undertaking the independent community survey
Risk appetite	The amount and type of risk that the Council is prepared to accept in the pursuit of its objectives.
Risk management	The coordinated activities to direct and control an organisation with regard to risk.
Risk treatment	Proposed or agreed method for fixing or reducing a risk that Council is currently exposed to.
RUL	Remaining Useful Life – the amount of time remaining before the asset condition or performance will no longer be capable of meeting required levels of service and must be renewed or disposed of.
TechOne (Tech1, T1)	Council's EAM and ECM system provider.
TRC	Taranaki Regional Council

Appendices

Appendix 1 – Legislation & Regulations

The following is a list of all relevant legislation and regulations relating to the delivery of Property services

Legislation	Requirement
Fire and Emergency New Zealand Act 2017 and Amendments	This Act provides the framework under which Fire and Emergency New Zealand operate.
Civil Defence Emergency Management Act 2002 and Amendments	This Act requires that an emergency management plan is maintained and reviewed annually and that it is accepted as suitable by independent review.
Climate Change Response (Zero Carbon) Amendment Act	Provides a framework by which New Zealand can develop and implement clear and stable climate change policies that allow New Zealand to prepare for, and adapt to, the effects of climate change.
Local Government Official Information and Meetings Act 1987 (LGOIMA):	LGOIMA governs the release of official information held by local authorities, including property-related records. It provides for transparency and public access to information about property services and decisions
Heritage New Zealand Pouhere Taonga Act 2014	The purpose of this Act is to promote the identification, protection, preservation, and conservation of the historical and cultural heritage of New Zealand. This Act assists us to ensuring we navigate how to maintain our heritage buildings such as Caccia Birch and Keith Street Station in an appropriate way in line with this act.
The Hazardous Substances and New Organisms Act 1996 (HSNO) and Amendments	HSNO sites under the Health and Safety at Work Act along with the Health and Safety at Work (Hazardous Substances) Regulations (see below). It aims to protect the environment and the health and safety of people from the adverse effects of hazardous substances.
New Plymouth District Council (Waitara Lands) Act 2018 and Amendments	The Act enables leaseholders to buy their leasehold land. It also provides for the Council and Te Kowhatu Tu Moana (as registered owner of Vested Land and other transferred land that remains or becomes a reserve) to enter an agreement or the administration and management of reserve land and to prepare and review the management plan for that land.

Building Act 2004 and Amendments	Sets out the rules for the construction, alteration, demolition and maintenance of new and existing buildings in New Zealand. Its purpose is to ensure that people can use buildings safely and without endangering their health. To ensure all buildings are safe qualifying buildings need to have a Building Warrant of Fitness (BWOF).Buildings are designed, constructed and able to be used in ways that promote sustainable development.
Building (Earthquake-prone Buildings) Amendment Act 2016	Amendment of the Building Act (Earthquake Prone Buildings) in 2016 has been a key legislation has also been a key driver regarding the direction of lifecycle use of Councils operational and cultural buildings.
Building Code 1992	It sets the minimum standards that building work must perform to. It covers aspects such as structural stability, fire safety, access, moisture control, durability, services and facilities, and energy efficiency. This is incorporated for our new builds and upgrades.
Local Government (Community Well-being) Amendment Act 2019	Provides for Council to play a broad role in promoting the social, economic, environmental, and cultural wellbeing of their communities, taking a sustainable development approach. This will relate to how Council properties are managed.
Reserves Act 1977	Many of the Councils properties are located on or adjacent to public reserves. Council must comply with this act.
Residential Tenancies Act 1986 and Amendments	The law relating to residential tenancies, to define the rights and obligations of landlords and tenants of residential properties, to establish a tribunal to determine expeditiously disputes arising between such landlords and tenants, to establish a fund in which bonds payable by such tenants are to be held. Council residential properties are covered by this act.
The Seismic Assessment of Existing Buildings: Technical Guidelines for Engineering Assessments, July 2017 (Version 1)	The Guidelines relate to seismic assessments of existing buildings and apply to buildings of all eras and of all construction types and materials. They are also intended to be used for assessing existing building construction that is included in an upgrade of an existing building (e.g. seismic retrofit or alterations generally), or where a change of use is intended.

Appendix 2 – Project Prioritisation Matrix

SCORE	**Criteria 1 – Strategic Alignment** *How well does this opportunity contribute to the delivery of our goal, vision & strategies?*	**Criteria 2 –Benefits** *What benefits (efficiency, innovation, social or economic) will the community gain from this opportunity?*	**Criteria 3 – Level of Services** *How does this project Impact our level of service?*	**Criteria 4 – Risk Mitigation** *How does this project mitigate overall risk profile?*	**Criteria 5 – Ease of Execution** *How easy is this project to execute? Any quick wins?*
Weight	***35%***	***20%***	***15%***	***15%***	***15%***
5	• Contributes to all community outcomes or corporate goals OR required to achieve one outcome / goal. • Critical community demand (>80%) via pre-consultation	• Significantly improve delivery efficiency, digital interaction, or innovation (impact more than 75% ratepayers or employees) • Significant measurable benefits to local economy • Significant measurable social benefits • Cost Benefit Ratio (CBR) > 3 • 100% externally funded (including most internal costs), with a CBR>1	Addresses failure to meet existing stated levels of service	NPDC or the community is exposed to very high risks (*) (*) as per NPDC risk framework	Business As Usual activity, already scoped and well defined, easy to implement (Tier 5)
4	• Contributes to three community outcomes or corporate goals OR very strong contribution to one outcome / goal. • Enabler to an approved Council strategy, policy or framework • Key community Demand (>60%) • Support delivery of cultural narrative and partnership with Tangata Whenua • Included in community board plan	• Significantly improve delivery efficiency, digital interaction or innovation (impact more than 50% ratepayers or employees) • Some benefits to local economy • Some social benefits • Cost Benefit Ratio (CBR) > 2 • Attract external funding contributing to more than 80% of project costs	Maintains existing levels of service	NPDC or the community is exposed to high risks (*)	Very low complexity project - typically Tier4, Roadmap 0

3	• Contributes to two community outcomes or corporate goals OR strong contribution to one outcome / goal • Contribution to an approved Council strategy, policy or framework • Important community Demand (>40%)	• Improve delivery efficiency, digital interaction or innovation (impact more than 35% ratepayers or employees) • Cost Benefit Ratio (CBR) > 1 • Attract external funding contributing to more than 60% of project costs	• Increases level of service: - across the District - to support bringing community together - to support vulnerable part of the community	NPDC or the community is exposed to medium risks (*)	Low complexity project - typically Tier 3, Roadmap 1
2	Contributes to one community outcomes or one corporate goal.	• Some improvement to delivery efficiency, digital interaction or innovation • Attract external funding contributing to less than 60 % of project costs	Increases level of service for part of the community	NPDC or the community is exposed to low risks (*)	Medium complexity project – typically Tier 2, Roadmap 2
1	No contribution to community outcomes or corporate goals	• Do not attract external funding • No social or economic benefits	No impact on level of services	NPDC or the community is exposed to very low risks (*)	High complexity project - typically Tier 1, Roadmap 3

Appendix 3 – Alignment between AMP templates

There were quite significant modifications made between the 2021 Asset Management Plans and these 2024 Asset Management Plans. The below colour coded list shows where the information can be found in the old template. Bold colours represent major sections, lighter tints represent subsections. Section headers 3 tiers and below have been removed.

A large amount of the more detailed content has been moved into the Appendices where it is visible but does not disrupt the flow of the overall plan for the reader. Sections without a colour tag are new or sufficiently different that there is no equivalent in the old template.

2021 AMP Contents		2024 AMP Contents	
1	Executive Summary	1	Executive Summary
2	Introduction	2	Introduction
2.1	Asset Descriptions	2.1	Background
2.2	Asset Information and Data	2.2	Asset management planning
3	Strategic Framework	3	Levels of Service
3.1	Strategic Alignment	3.1	Customer research
3.2	Key Issues	3.2	Strategic and corporate goals
3.3	Statutory and Regulatory requirements	3.3	Legislative requirements
4	Levels of Service	3.4	Customer values
4.1	Customer Levels of Service	3.5	Levels of Service
4.2	Technical Levels of Service	4	Future demand
4.3	Level of Service Projects	4.1	Demand drivers
5	Future Demand	4.2	Demand forecasts
5.1	Growth Projects	4.3	Demand impact and management plan
6	Lifecycle	4.4	Asset programmes to meet demand
6.1	Identify need and plan	4.5	Climate change adaptation
6.2	Design and Build	5	Lifecycle management plan
6.3	Operations and Maintenance	5.1	Background data
6.4	Renewals	5.2	Operations and maintenance plan
6.5	Disposals	5.3	Renewal plan
7	Risk management	5.4	Acquisition plan
7.1	Risk assessment	5.5	Disposal plan
7.2	Infrastructure resilience approach	5.6	Summary of forecast costs
8	Financial summary	6	Risk management planning
8.1	Funding strategy	6.1	Critical assets
8.2	Valuation forecasts	6.2	Risk assessment
8.3	Expenditure forecast summary for opex and capex	6.3	Resilience
8.4	Level of service project capex expenditure forecast summary	6.4	Service and risk trade-offs
8.5	Growth project capex expenditure forecast summary	7	Financial summary
8.6	Opex projects related to capex projects expenditure forecast summary	7.1	Financial sustainability and projections
8.7	Opex project expenditure forecast summary	7.2	Funding strategy
8.8	Renewals capex project expenditure forecast	7.3	Valuation forecasts

Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth District Council

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REVISIONS

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